Solvency and Financial Condition Report

IDA Insurance Limited

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This Solvency and Financial Condition Report (SFCR) has been prepared to allow IDA Insurance Limited ('IDA' or 'the Company') to comply with the Pillar II reporting requirements under Directive 2009/138/EC and Associated Regulations ('the Solvency II Directive).

IDA Insurance Limited maintains a robust system of governance which is commensurate to the nature, scale and complexity of the Company's activities and its risk profile. The system of governance revolves around the Board and its Committees; with key functions outsourced to external service providers in line with the Company's Outsourcing Policy. The mainstay of the system of governance is risk management system: which is designed to ensure that all the material risks are identified; and that policies and procedures are in place to assess their potential impact and to adequately report them, so that they can be managed or mitigated.

This financial period is from 1st January 2023 to 31st December 2023. The Company has adopted IFRS 17 for the first time. IFRS 17 replaced IFRS 4 Insurance Contracts for annual periods on or after 1 January 2023. As a result, the Company has restated comparative information for 2021 and 2022 by applying the transitional provisions in Appendix C to IFRS 17. The adoption of IFRS 17 did not change the classification of the Company's insurance contracts and resulted in an increase to the equity position of the Company as at 31 December 2021 by €382,003.

During the period under review, the Company registered a profit after tax amounting to €1,148,277 (restated loss after tax for the year ended 31st December 2022: €506,199. Insurance Revenue recorded by the Company during this period amounted to €6,448,498 (31st December 2022 €6,485,327). Insurance service expense for the period amounted to €4,832,671 compared to €5,479,943 for the year ended 31st December 2022. Furthermore, the Company recorded a net expense from the reinsurance contracts held amounting to €248,307, which is a significant movement when compared to the amount of €1,062,060 recorded for the period ended 31 December 2022. As a result, insurance service result for the year ended 31 December 2023 amounted to €1,367,520 (31 December 2022: (€56,676).

The Company's Directors manage the Company's capital structure and make adjustments to it, in the light of changes in economic conditions. The capital requirement of the Company is maintained in accordance with regulatory solvency and capital requirements of the insurance market in which it operates.

The Company monitors its capital level on a regular basis. The Company complied with the regulatory capital requirement during the years ended 2023 and 2022. No changes were made in the Company's approach to capital management during the period ended 31st December 2023.

Going forward, the Company is expected to continue meeting the Solvency II regulatory capital requirements based on the latest audited SCR calculations as at 31st December 2023 and those resulting from the 2023 Own Risk and Solvency Assessment.

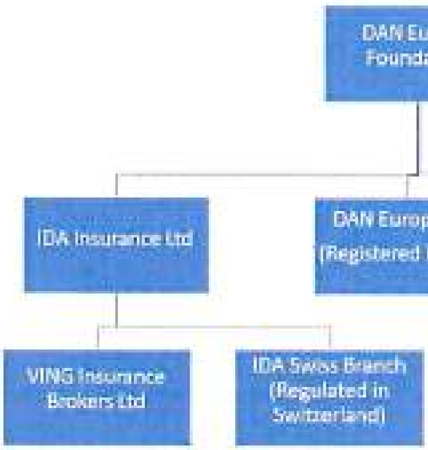
IDA's internal capital target is to hold 140% of its Pillar 1 Minimum Capital Requirement. As at 31 December 2023 the Minimum Capital Requirement is below the appetite of 140%.

Section A – Business and Performance

A.1 Business

Legal Form

The Company was incorporated in Malta on 8th July 2005 and is a 100% subsidiary of DAN Europe Foundation, a non-profit Emergency Medical Organisation. DAN Europe (Divers Alert Network Europe) is an international non-profit medical and research organisation founded in 1983, dedicated to the health and safety of the global dive community. DAN helps divers and their families by providing emergency medical assistance, promoting dive safety and conducting vital research. DAN also offers education, products and services to beginners, experts and all kinds of explorers in between. The DAN network protects what good divers value most; the ability to explore hidden worlds in safety.



Registered Office and Registered Number

Registered Office: DAN Building, Sir Ugo Mifsud Street, Ta' Xbiex, Malta
Registration Number: C36602

Regulator

IDA is authorised to carry on business of insurance in in terms of the Insurance Business Act 1998, regulated by the Malta Financial Services Authority. The Regulator can be contacted as follows:

Malta Financial Services Authority
Triq l-Imdina, Zone 1,
Central Business District
Birkirkara,
CBD 1010,
Malta

Tel: +356 21441155

www.mfsa.com.mt
Insurance and Pensions Supervision Unit

Auditors

The statutory accounts are audited by Deloitte Audit Limited who can be contacted as follows:

Deloitte Audit Limited
Deloitte Place,
Triq L-Intornjatur,
Central Business District,
CBD3050
Malta.

Partner: Mr. Mark Giorgio

Current Risk Profile

IDA is authorised to offer classes of insurance business namely, accident, sickness, fire and natural forces, other damage to property, general liability, legal expenses and assistance. Furthermore, it is authorised to provide insurance under EU's Freedom to provide services in another Member State in Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Greece, Hungary, Ireland, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and United Kingdom.

Up to February 2022, the insurance policy was distributed by VING Insurance Brokers Limited ("VING"), a related insurance intermediary incorporated in Malta and authorised by the Malta Financial Services Authority to carry on insurance intermediary activities, on behalf of IDA Insurance Limited. As from March 2022 onward the insurance policy started being directly distributed by the company.

The Company is also licenced to provide insurance services in Switzerland through a branch, regulated by Swiss authorities, FINMA.

The main line of insurance classes that is currently provided is namely, accident, general liability, legal expenses and assistance. The principal activity is to underwrite scuba diving risk for the leisure and commercial diving industry. The company offers its policies through the group's online portals.

The Company writes insurance for students, recreational and professional divers. This business is accepted within safe practice guidelines issued by the international recognised diving bodies. The Company insure members of DAN Europe Foundation the majority of who are EU residents. The policies issued are in the EU but provide insurance benefits when diving anywhere in the world.

The salient features of the current policies issued are provided hereunder:

- Sport Member (Sport Bronze, Sport Silver and Sport Gold), which are products suitable for recreational divers;

- Pro Member (Pro Bronze, Pro Silver and Pro Gold, products which are designed for Professional Divers and Instructors Student Insurance (First level courses, Advanced courses, Speciality courses and Freediving stage), suitable for diving students;

- Club Member (Club Member and Club Member Plus) products that are designed for dive centres and are intended for both instructors and students Family Plans (Family Sport and Family Mix) products, which are suitable for family members, including both recreational and professional divers.

A.2 Underwriting Performance

The Company's main products and the ways in which it manages the associated risks are as follows:

Emergency medical, personal accident, repatriation and travel assistance

These policies offer insurance cover for emergency medical, personal accident, repatriation and travel assistance anywhere in the world. As such the claim costs of the insured accident vary depending on the severity of the accident, its location and the quality extent and tariffs of the medical facilities in the accident location.

Civil and professional liability

These policies are occurrence-based wordings. Therefore, the Company is liable to all insured events that occurred during the term of the contract, even if the loss is discovered after the end of the contract terms. These liability claims also take longer to develop than claims submitted under the Company's Accident programme and as a result, the estimation of claims incurred but not reported and claims incurred but not enough reported is generally subject to a greater degree of uncertainty.

Legal defence

These policies offer legal defence benefits when diving anywhere in the world. As a result, the claim costs of the insured accident vary.

The Company manages these risks by implementing its underwriting and claims management strategy after having obtained and considered expert advice approved by the board. The skills available to the Company to manage the insurance claims issues arising from the insured accidents have been built over many years.

During this financial period, the Company reported gross written premiums of €6,682,902 (2022: €5,729,013). Claims incurred during the financial period amounted to €2,656,699 (2022: €2,464,474).

As a result, this year, the Company closed the financial year with a gross underwriting profit of €4,026,203 (2022: €3,264,539).

The primary drivers for the results were the following:

1. The Company's Premium increased month on month, especially on the Medical Expense Insurance business;
2. The total claims paid for the year stood at €2,569,089;
3. Total claims outstanding as at year end stood at €2,062,889 whilst the IBNR & IBNER stood at €1,084,729.
4. There were no further changes to the RI structure for Liability during the UW year.

				Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Total
				Medical expense insurance	General liability insurance	Legal expenses insurance	
				C0010	C0080	C0100	C0200
Premiums written	Gross - Direct Business		R0110	4,843,706	1,342,773	280,808	[illegible]
	Gross - Proportional reinsurance accepted		R0120	262,577	141,498	11,898	[illegible]
	Gross - Non-proportional reinsurance accepted		R0130				
	Reinsurers' share		R0140				
	Net		R0200	[illegible]	[illegible]	[illegible]	[illegible]
Premiums earned	Gross - Direct Business		R0210	4,533,843	664,880	281,574	[illegible]
	Gross - Proportional reinsurance accepted		R0220				
	Gross - Non-proportional reinsurance accepted		R0230				
	Reinsurers' share		R0240				
	Net		R0300	[illegible]	[illegible]	[illegible]	[illegible]
Claims incurred	Gross - Direct Business		R0310	2,471,097	374,726	- 35,104	[illegible]
	Gross - Proportional reinsurance accepted		R0320				
	Gross - Non-proportional reinsurance accepted		R0330				
	Reinsurers' share		R0340	47,397	114,473		[illegible]
	Net		R0400	[illegible]	[illegible]	[illegible]	[illegible]
Expenses incurred			R0550	[illegible]	50,285	19,174	[illegible]
	Acquisition expenses	Gross - Direct Business	R0610	316,959	50,285	19,174	[illegible]
		Gross - Proportional reinsurance accepted	R0620				
		Gross - Non-proportional reinsurance accepted	R0630				
		Reinsurers' share	R0640				
		Net	R1600	[illegible]	50,285	19,174	[illegible]
Balance - other technical expenses/income			R1210				
Total technical expenses			R1300				[illegible]

Income Statement – Net insurance and investment result

	Notes	2023	2022
		EUR	EUR
Insurance revenue		**6,448,498**	6,485,327
Insurance service expenses	7	**(4,832,671)**	(5,479,943)
Net expenses from reinsurance contracts held	8	**(248,307)**	(1,062,060)
Insurance service result		**1,367,520**	(56,676)
Investment income / (expense)	9	**124,842**	(159,212)
Net investment income / (expense)		**124,812**	(159,212)
Finance expenses from insurance contracts issued	10	**(77,082)**	(337,603)
Finance income from reinsurance contracts held	10	**2,470**	48,913
Net insurance finance expenses		**(74,612)**	(288,690)
Net insurance and investment result		**1,417,750**	(504,578)

A.3 Investment Performance

During the year, the Company has adopted IFRS 9 together with IFRS 17. As a result, the directors agreed that the bonds instruments held by the Company will continue to be measured at fair value through Other Comprehensive Income, whereas the Equity instruments have been reclassified at fair value through profit or loss. During the year, the company has recorded investment income amounting to €124,842, which is a substantial improvement, when compared to the investment loss of €159,212 recorded in 2022. The investment income recorded by the Company comprises mostly of interest income, dividend income and realised gains/losses on the disposal of the financial instruments. In the prior year, the Company recorded investment expense due to the unrealised losses incurred on the equity instruments as a result of the increase in interest rates brought about by the Federal Reserve / Bank of England / European Central Bank in order to combat the increase in inflation rates as a result of the increase in energy prices. In 2023, the interest rates were stabilised, and although these did not decrease, the markets were predicting that the interest rates will start to go down within the first half of 2024, which as a result were being projected in the market value of both the equity and bond instruments as at 31 December 2023. The Company is not dependant on the investment return for its operations, however, the Company invests in a diverse portfolio consisting of mostly bond securities and equity securities to preserve its capital, to diversify its position so that it does not have a high concentration with one entity and to generate investment income which will help to boost the profitability of the company.

A.4 Performance of other activities

Net insurance and investment result		**1,417,750**	(504,578)
Impairment loss on investment in subsidiary	19	**(268,164)**	-
Profit / (Loss) before income tax	13	**1,149,586**	(504,578)
Income tax expense	14	**(1,359)**	(1,621)
Profit / (Loss) for the year		**1,148,227**	(506,199)
Items that may be reclassified subsequently to profit or loss: Fair value gain/(loss) on investments in debt instruments measured at FVTOCI		**155,390**	(479,203)
Total comprehensive income / (loss) for the year attributable to ordinary shareholders		**1,303,617**	(985,402)

A.5 Events after the reporting period

Subsequent to year end, a capital contribution of €325,000 was injected into the Company in order to continue strengthening the net asset position of the Company in order to be able to meets is Solvency Position.

A.6 Any other information

None.

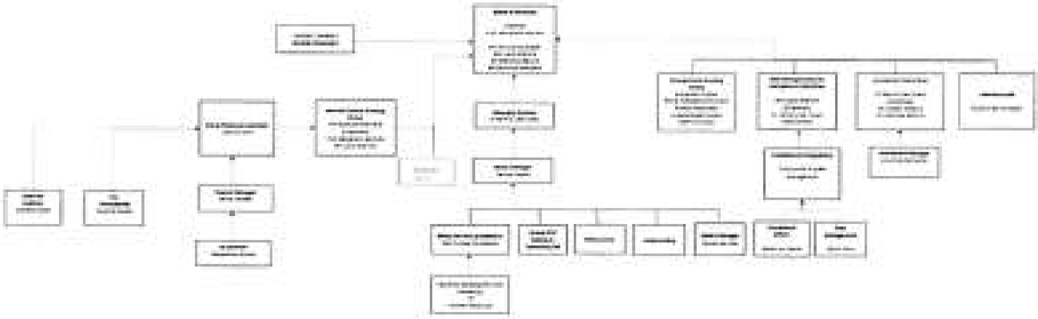
Section B – System of Governance

B.1 General information on the system of governance

The Board of Directors has adopted a supervisory structure to suit the requirements of IDA's operational needs. This structure grants the required flexibility that leads to an efficient decentralization of selective decision making while ensuring that responsibility for overall governance rests within the Board. The Board and Committees are comprised of a mix of Non- executive Directors and Executive Directors who meet on a regular basis typically on a quarterly basis.

The Managing Director and the Senior Manager assisted by the Insurance Manager oversee all activities undertaken and escalates material matters to the Board.

IDA simplified organisation and governance chart is illustrated below:



B1.1 Board of Directors

The Board of the Company is of sufficient size and expertise to oversee adequately the operations of the Company. The composition of the Board has been designed to ensure:

- that it can adequately discharge its responsibilities and duties;
- that it has a proper understanding of, and competencies to deal with, the current and emerging issues of the business;
- that it can effectively review and assess the performance of outsourced arrangements.

The following were members of the Board at 31st December 2023:

- Prof Alessandro Marroni (Chairman)
- Dr Iro Cali Corleo (Managing Director)
- Dr Filomena de Angelis (Executive Director)
- Ms Laura Marroni (Executive Director)
- Dr Matthew Bianchi (Independent Non-Executive Director) (resigned effective, 15 January 2023)
- Ray Mercieca (Independent Non-Executive Director)

- Mr. Jaspal Singh Kainth (Non-Executive Director)
- Mr. Laurent Edgar Comis (Non-Executive Director) (appointed on 2 February 2024)

The Board of Directors appoint a Chairman of the Board and determine the period for which he will hold office.

The Board of Directors is made up of mix of individuals who have the necessary skills and expertise in the following areas:

- Market knowledge - the awareness and understanding of the wider business, economic and market environment in which the undertaking operates and the knowledge and needs of policy holders;

- Business strategy and Business model - an appropriately detailed understanding of the undertaking's business strategy and model;

- System of governance - this includes risk management and control, which means the awareness and understanding of the risks the undertaking, is facing and the capability of managing them. Furthermore, the ability to assess the effectiveness of the undertaking's arrangements to deliver effective governance, oversight and controls in the business and, if necessary, oversee changes in these areas;

- Financial and actuarial analysis - the ability to interpret the undertaking's financial and actuarial information, identify key issues, put in place appropriate controls and take necessary measures based on this information;

- Regulatory framework and requirements - awareness and understanding of the regulatory framework in which the undertaking operates, and the regulatory requirements and expectations relevant to it and the capacity to adapt to changes which stem from the regulatory framework without delay.

The Board of Directors is made up of a mix of Executive Directors, Non-Executive Directors and Independent Non-Executive Directors.

The Roles and Responsibilities of the Board are the following:

- Provide entrepreneurial leadership of IDA within a framework of prudent and effective controls which enable risk to be assessed and managed.

- Set IDA's strategic aims, ensure that the necessary financial resources are in place for the Company to meet its objectives, and review the insurance manager's performance.

- Set IDA's values and standards and ensure that its obligations to its shareholders and others are understood and met.

- Comply with the Memorandum and Articles of Association of the Company.

- Comply with requirements set out in the Maltese Companies Act and Maltese Insurance Business Act (Cap 403) and comply with the General Good Requirements for all classes of business in each country within which IDA is operating.

- Assume responsibility for the day-to-day conduct of IDA's business. Clearly and appropriately apportion significant responsibilities to the Insurance Manager and other third-party providers.

- Oversee the establishment and maintenance of robust and clearly documented systems and controls in accordance with applicable regulations.

- Review and approve business submitted by the Internal Control Working Group Risk Management & Compliance Committee and the Investment Committee.

- Oversee the process of outsourcing, and monitor the discharge of the Compliance, Risk Management, Internal Audit and Risk Management functions.

- Ensure that assets are invested in line with the Prudence, Persons, Principle and in a manner that is appropriate to the nature and duration of the insurance liabilities

- Oversee the claims process and claims provisions

Information on Remuneration Policies and Practices

The governance framework includes a Remuneration policy for defining the remuneration practices of the Company designed to support the Company's risk appetite, strategy, objectives and values. The Board of Directors is responsible for the Remuneration Policy and the regular review of the Policy.

The Remuneration Policy applies to all levels of the organisation and categories of employees including Directors. It contains specific arrangements that take into consideration the roles of the members of the Board, persons responsible for key functions, senior management, and personal undertakings that involve significant risk taking and other employees. It further extends to the arrangements with any outsourced parties involved in the distribution of the Company's products.

The Remuneration Policy reflects the Company's objectives for good corporate governance as well as sustained and long-term value creation of the shareholders. The Remuneration Policy does not excessively reward short term profits and discourages incentives to take on risks that are not in line with the Company's risk profile. This can undermine the sound and effective risk management framework, exacerbate excessive risk-taking behaviour and the protection of the policy holders. Hence the performance criteria, including non-financial performance factors such as goals and criteria relating to effective risk management practices are considered.

The salary is made up of a fixed component namely salary and benefits. The fixed component represents a significant and sufficiently proportion of the total remuneration and thus avoids that the employees are any way dependent on the variable component.

Variable components are discretionary and fully flexible as opposed to a contractual entitlement. It is based on performance and are capped at a maximum limit set by the Company. The Company has the right to withhold bonuses where its financial objectives have not been met.

Performance based remuneration is aligned to an assessment of the strategic priorities of the Company which promotes sound risk management, the strengthening of long-term customer relations and the value of the business. Non-financial factors are taken into consideration. Persons responsible for a key function are not eligible for performance-based remuneration.

Currently the Company has no arrangements applicable to supplementary persons or early retirement scheme for members of the Board.

Key Functions

The Company complies with the requirements under Solvency II and the Fitness & Probity Standards to ensure that Key Functions are held by persons with the appropriate knowledge, experience and competence. The following Key Functions are outsourced by the Company:

Risk Management Function

Risk management lies at the heart of the Company's business activities. The adopted risk appetite reflects the articulated risk profile set by the Board through its risk-return profiling of the identified key risks.

The Board is assisted by Willis Towers Watson Management (Malta) Limited being the outsourced service provider of this Function in executing the risk management strategy laid down by the Board, in developing a risk management framework of the company's risk appetite, limits and tolerances, in establishing internal risk management structures, and in ensuring that the necessary resources are available and dedicated to achieving the risk management objectives. The Risk Management and Compliance Committee is chaired by Mrs. Laura Marroni acting as oversight responsible.

Furthermore, Willis Towers Watson Management (Malta) Limited also assists the Board and other functions in assessing and defining the risks existing in specific risk areas and from those assessments developing written risk management policies and procedures to manage those risks. It also assists the Board in assessing the company's capacity to absorb risk with due regard to the nature, probability, duration, correlation and potential severity of risks, including looking at risks from different perspectives, such as by territory. It also seeks to identify and assess emerging risks and advise the Board thereon.

Acceptable risk limits for each risk type are determined to facilitate control mechanisms to ensure that limits and procedures are adhered to, and that the company is operating within the risk appetite parameters set by the Board.

As the Company operates in a dynamic business environment it is alert to changes in the Company and in the environment in which it operates and modifies the Risk Management system as necessary.

Compliance Function

The Compliance Function is outsourced to Willis Towers Watson Management (Malta) Limited, and the Risk Management & Compliance Committee chaired by Mrs. Laura Marroni acting as Board oversight.

The Compliance Officer's role and responsibilities include the following:

- To identify the legal, regulatory and statutory code requirements, under which the undertaking is authorised and licensed to operate;
- to establish and oversee the establishment of controls, policies and procedures, and to work with other business areas within the undertaking in embedding these controls and policies, thus ensuring that adequate record-keeping is evident to comply with the regulatory requirements on a continuous basis;
- to monitor or oversee the monitoring of activities of the firm on a risk basis consistent with the controls and procedures in place and to report to the Board and senior management of the undertaking on same;
- to advise the Board and senior management of the undertaking of new and impending regulations and standards and of the implication for the firm of compliance with these new requirements;
- to assist the Board and the senior management of the undertaking in the design and implementation of controls necessary to meet the standards in this Policy;
- to prepare the Compliance Policy and the Compliance Plan, to implement the Compliance Audit Statement and ensure that they are agreed and approved by the Board on an annual basis;
- to liaise with the Regulator in relation to regulatory reporting and/or regulatory visits or inspections, also in relation to errors or breaches of requirements;
- to make representations to the Regulator and to oversee the development of the necessary procedures or alterations to existing procedures to meet any new regulatory obligations or requirements;
- to report to the Board at each Board meeting/quarterly on the standards of compliance of the Company with its Compliance Obligations and on the findings of the Compliance Audit Statement;

- to ensure that breaches on internal control procedures and systems or conditions of authorisation imposed upon the business of the Company are not permitted and notified to the Board and the persons concerned if identified;
- to notify the MFSA of any breach of the conditions of its authorisation upon becoming aware of such breach;
- to promote a "culture of compliance" by example and by clear and well directed communication within the Company;
- to assess the training needs and agree a training plan with those individuals who require compliance competencies as part of their roles; and
- to review products, procedures and systems on a planned basis from the viewpoint of effective compliance and to advise as to steps necessary to ensure compliance.

Actuarial Function

The Company's Actuarial Function is currently outsourced to Marsh UK Limited with Profs Alessandro Marroni acting as oversight.

The Actuarial Function is carried out by persons who have an appropriate knowledge of actuarial and financial mathematics, commensurate with the nature, scale and complexity of the risks inherent in the Company, and who can demonstrate their relevant experience with applicable professional and other standards in line with the Company's Fitness and Probity Policy and the Malta Financial Services Authority's rules and regulations.

Internal Audit Function

The Internal Audit Function is an outsourced service, provided by a third-party audit firm (Mazars Consulting Limited) with Mr. Ray Mercieca acting as oversight. The Internal Audit Function's mission is to independently examine and evaluate the functioning effectiveness and efficiency of the Company's internal control system and all other elements of governance.

The activities of the Internal Audit function are designed to provide advice to management in improving the internal control environment, monitoring the implementation of strategic control initiatives and managements remediation activity. The Internal Audit Function provides a formal report to the Board at least annually. The findings of Internal Audit reviews conducted are discussed with and challenged by the Board and an action plan is agreed upon to remediate any issues identified, along with a timeline for completion.

B2. Fit and Proper Requirements

The Company ensures that its Directors and Officers are fit and proper to ensure the sound and prudent management of the undertaking. The Company considers the following as Relevant

Persons for the purposes of its Fit and Proper Policy:

1. The Board of Directors of IDA;
2. The Members of the Investment Committee, the Risk & Compliance Committee and the Internal Control Working Group of IDA;
3. any advisor of the Board of Directors of IDA;
4. the persons who effectively run IDA;
5. any person performing a key function of IDA including persons performing the function under an outsourcing arrangement; and
6. any other personnel of IDA for the time being or from time to time prescribed by regulation or identified by the Board as being subject to fitness and propriety requirements.

The Company considers the key functions to be the following:

- Risk Management;
- Compliance;
- Internal Audit;
- Actuarial;
- Insurance Distribution directive responsible as per the Insurance Distribution Directive requirement
- any other key function identified by the Board as important or critical in IDA's system of governance considering the nature, scale and complexity of its business and organisational structure.

The Company's Fit and Proper Policy aims to ensure that no person is appointed to or confirmed in a Relevant Person role unless they have been appropriately assessed by IDA to be fit and proper for the role in accordance with regulatory requirements referenced in the Company's policy. The principlesfor achieving that objective are:

Fitness:

1. Every Relevant Person must be fit for their role and responsibilities and hold the qualifications, knowledge and experience relevant and necessary to ensure that the role is managed in a professional manner with the necessary degree of management and technical competence.

2. The members of the Board of IDA collectively must possess at least qualification, experience and knowledge:
    - of insurance and financial markets relevant to the operations of the Company;
    - of the business strategy and business model of IDA;
    - of IDA's system of governance;
    - to perform required financial and actuarial analysis in respect of IDA;
    - of the regulatory framework and requirements applicable to the Company; and
    - generally to be able to provide for the sound and prudent management of IDA.

3. The appointment and continuing engagement of any Relevant Person must comply with the fitness elements as set out within the applicable MFSA rules and guidelines.

Propriety:

1. The honesty, financial soundness and reputation of every Relevant Person must be assessed by the Company to determine that they are of good repute and integrity, based on relevant evidence regarding their character, personal behaviour and business conduct including any criminal, financial and supervisory aspects, regardless of location but taking account of any applicable period of limitation in respect of any committed offence.
2. The appointment and continuing engagement of any Relevant Person must comply with the probity elements of the aforementioned MFSA rules and guidelines.

Each Relevant Person shall complete a Fit & Proper Questionnaire and submit to the Compliance officer.

Board
The Board is responsible for:

- The approval and periodic review of this policy;
- overseeing the implementation of this policy;
- establishing the minimum criteria for each Relevant Person, including any minimum qualifications, experience and competencies deemed necessary to fulfil their respective functions.
- establishing who are IDA's Relevant Persons, considering the nature, scale and complexity of the risks inherent in the business, the nature of the relevant function and its organisational structure.
- assessing (pre-appointment and at least annually thereafter) the fitness and propriety and approving any new or ongoing appointment of each Relevant Person.
- suggesting the removal of any Relevant Person from their key function role if a material issue arises.
- designating a Relevant Person to have overall responsibility for overseeing any outsourced key function's Relevant Persons and to challenge and monitor the performance and results on a regular basis.

Compliance Officer - The Compliance Officer is responsible for:

1. Maintaining a record of IDA's Relevant Persons including evidence of:

   - Name;
   - key Function;
   - date of appointment;
   - date of Board approval of appointment;
   - date of National Regulator approval of appointment (where required) or date of notification of appointment to National Regulator;
   - board approved minimum criteria for the function and the basis on which the Relevant Person satisfies these;
   - date and result of last Board fitness and propriety assessment;
   - due date of next Board fitness and propriety assessment;
   - date of removal from function;
   - date of Board approval for removal from function;
   - date of notification to National Regulator of removal from function; and any other details considered necessary from time to time to evidence I DA'scompliance with this policy and the regulatory requirements;

2. ensuring that all notifications required to be made by IDA to the National Regulator in respect of the appointment or removal of a Relevant Person are submitted in the prescribed manner and within the prescribed time limit;

3. assisting the Board in the performance and documenting of its pre-appointment and ongoing fitness and propriety assessment of Relevant Persons;

4. monitoring and reporting to the Board on the execution and implementation and any identified breaches of this policy;

5. Ensuring the proper implementation of policies and procedures, so that the management person responsible for IDA's insurance distribution activities (the "relevant person") as well as any employee of the Company directly involved in the carrying out of insurance distribution activities (the "relevant employee") perform their duties adequately in accordance with the requirements of Chapter 7 of the Insurance Distribution Rules;

6. Ensuring that the Board of Directors assesses the relevant person's and the relevant employee's knowledge and ability against the requirements set out in Chapter 6 of the Insurance Distribution Rules.

To assist the Board in overseeing the execution and implementation of this policy, the Compliance Officer keeps the report to the Board on the Fitness and Propriety Assessment completed on an annual basis.

The IDA outsourcing model and functional organisation of the Company mean that individuals that head Group functions also have individual accountability for the performance of their functions in respect of services provided to IDA. Accordingly, in addition to Board members, the following individuals had been approved by the MFSA regulatory bodies:

Approved Person	Function
Willis Towers Watson - Insurance Managers	Compliance Officers
Konrad Farrugia	Designated Actuary-Marsh UK Limited
Mazars Consulting Limited	Internal Audit
Willis Towers Watson - Insurance Managers	Risk Management
Claudia Schranz	Person responsible for distribution

B.3 Risk Management System including ORSA

The Company's Risk Management Function is outsourced to Willis Towers Watson Management (Malta) Limited, subject to the conditions outlined in the Company's Outsourcing Policy.

The Board reviews the composition of its Risk Management Function at least annually.

The acceptance of risk is fundamental to the Company and a core element of the overall strategic objectives as an insurance company.

IDA therefore recognizes the importance of having an effective risk management system embedded throughout all areas of the Company.

The Company's Risk Management System is comprised of the following elements;

- Risk Register, incorporating all the risks the Company is faced with;
- Risk Appetite Statement ("RAS") incorporating the Company's appetite and tolerance levels;
- System of Governance – Formal Policy Documents for all key risks;
- Own Risk and Solvency Assessment (ORSA);
- Formalised Risk Reporting.

The above elements of the Risk Management System contribute to the identification, measurement, monitoring, management and reporting of risks and is intended to work as an integrated system. Therefore, each is considered both in terms of its specific function and its role within the overall system.

Furthermore, the elements are embedded within the Company and managed by the Risk Management Function with appropriate oversight from the Board member responsible for the Oversight of the Risk Management Function and the Board of Directors as a whole.

Risk Management Function

The Risk Function of IDA is responsible for the operational coordination and application of all Risk Management activities throughout IDA on an ongoing basis.

The Risk Function reports directly to the Board on a quarterly basis or upon occurrence of an event which could materially impact IDA's risk profile.

The Function is responsible for coordination of all risk management activities throughout IDA. The Function is also responsible for providing the Board with assistance and support in development and implementation of the various risk management arrangements within the Company.

The Function assesses the Company on an ongoing basis and reports to the Board. The Risk Register and Risk Appetite Statements are discussed during the Risk and Compliance meetings chaired by the Oversight Director for the Function and then by the Board of Directors.

Risk Categories and Key Risks

Key risks are considered to be the six risk categories detailed in the Solvency II Directive text together with any other risks evaluated as being key risk through the operation and activity of the Risk Management Function and approved by the Board.

All risks, aside from those which fall within the risk categories prescribed in the Solvency II text, shall be considered to be a key risk if, on a residual basis, a material level of capital is deemed to be required in order to accept the risk, or if particular controls or risk mitigation techniques specific for the risk in question must be employed. Each of the key risks shall be included in the Risk Appetite Statement.

The risk categories and key risks to which IDA is exposed will be reviewed periodically by the Risk Management Function and at least:

- annually
- on occurrence of an event which could materially affect the Company's risk profile
- on the introduction of material new business
- at the discretion or order of the Board

Risk Appetite Statement

The Company has in place a Risk Appetite Statement. The RAS sets out the risk appetite and tolerance levels for all key risks over the planning period of the Company.

The Company considers the RAS to be the primary element of the Risk Management System, directly linking to the overall Company Strategy and determining the levels retained for each key risk and influencing the nature of the controls and mitigation techniques employed to ensure that the risk remains within the tolerable range.

The Board is responsible for setting the Company's RAS. The Board periodically reviews the appropriateness and effectiveness of the RAS and performs a formal review of the RAS at least annually or upon a material change in the Company's risk profile.

The RAS includes both qualitative and quantitative aspects for each key risk and is aligned to the planning period of the Company.

The RAS is included in the decision-making processes of the Company. The Board, before finalising any material decision which could impact the risk profile of the Company, refer to the RAS for guidance as to the likely effect of the decision on the tolerance levels of the Company.

The RAS is also used to track actual performance against the metrics detailed in the RAS to ensure that no breach in the agreed tolerance levels has occurred.

Monitoring of the actual performance against the metrics identified in the RAS is performed periodically by the Risk Management Function and reported to the Board in line with the reporting trigger system included in the RAS.

Risk Appetite Statement

The Company has documented a formal policy for each key risk included in the RAS. The policies for each specific risk are consistent with the details contained in the RAS relating to the risk in question. The controls, reporting triggers and any other relevant aspects of the management of the risk are appropriately reflected in the policy for the risk.

Risk Register

IDA has in place a comprehensive Risk Register to evaluate and assess the risks to which IDA is exposed. The Risk Register initially assesses the risk universe of IDA on an inherent basis. The controls and risk mitigating techniques employed by IDA and as detailed in the individual risk policies which act on the risk allow for an evaluation of the risk on a residual basis.

If the risk on a residual basis is deemed to potentially require a material level of capital to accommodate the risk, this risk should be considered a key risk. Any risk deemed to be a key risk shall be considered for inclusion in the RAS by the Board.

The Risk Management Function is responsible for the ongoing maintenance of the Risk Register. The Risk Register will be updated on at least an annual basis and upon the occurrence of an event which may materially impact the Company's risk profile.

A summary of the results of the Risk Register review shall be distributed to the Board upon completion of each review as soon as is practicable and form part of the Risk Management Function's periodic Risk Reporting.

As part of each update, the Risk Register shall be reviewed by the Risk Management Function to ensure that the Risks included represent all the material risks to which IDA is exposed and that all applicable emerging risks have been appropriately included.

Where an emerging risk has been identified as one which should potentially be included in the Risk Register, the Risk Function will advise the Board of the nature and context of the risk. The Board then shall determine whether the risk in question should be considered as a Key Risk.

ORSA

IDA aims to ensure that the Company is appropriately and prudently capitalized in order to accept the risk to which IDA is exposed. In order to ensure this, IDA will perform an ORSA at least annually and upon the occurrence of an event which may materially impact its risk profile.

ORSA approach

The ORSA process is an important component of the Company's overall Risk Management System. The Company's ORSA approach is based on recognized Enterprise Risk Management principles and considers the Company's risk, controls and capital in a coordinated and holistic manner, building upon the strength of the risk management arrangements in place within the Company which is commensurate with the nature, scale and complexity of the Company's operations.

The insurance undertaking's Board, with the assistance of the Insurance Manager have been tasked with ensuring the fulfilment of the ORSA process, including the requirements emanating under the EIOPA Guidelines. The Board has taken a proactive approach in providing guidance to the Risk Management Function with regards to the approach taken by being involved in the direction of the ORSA process, including the identification, evaluation and quantification of the risks inherent in the business.

Through a series of discussions and workshops, the Board of Directors provided substantial input, discussed in detailed the various aspects of the ORSA, and adjusted as and if considered necessary.

Discussing the ORSA elements facilitated a forward-looking assessment of the risks. Each step in the process promoted an appreciation of the relationship of the profile of the risk, the controls IDA has in place and the resultant levels of capital required. The more definite IDA can be in relation to each of these variables, the greater the confidence level of the range within which the risk is likely to materialise in future periods. Furthermore, the greater the confidence level IDA has in relation to the range within which the risk is likely to occur, the greater certainty IDA can have around the capital levels required to accommodate the risk.

The Board and management have a strong understanding of both the risks to which IDA is exposed and the effectiveness of the controls which act upon those risks. IDA is guided by the EIOPA Guideline 9 in explaining its reasoning behind its choice of ORSA approach. The approach outlined allowed this knowledge of the undertaking's risk profile and the strength of the controls in place to be used as the basis of the overall assessment and also facilitated documentation of the Board's (and management's) own view of the risk, which is the primary objective of the exercise.

Own Solvency Needs Assessment

This OSN Assessment identifies the following areas for assessment:

- Maximum Value at Risk per identified key risk of the Company; i.e. what is the maximum possible loss
- The controls and risk management arrangements in place which act upon the risk and reduce the risk to an acceptable level
- The basis for measurement and assessment of the risk over the planning period
- The Capital required to cover the risk

This process involved an assessment of what risks the Company is, or could be, exposed to and how its risk profile translates into regulatory capital requirements and overall solvency needs. The outcome of this process reflects the Board's own view of the undertaking's risk profile and the capital or other means needed to address these risks.

The Company primarily considers whether the risks of the Company are adequately captured by the Standard Formula. In cases where the Standard Formula adequately captures the exposures of the Company, the OSN Capital shall be considered to be equal to the SCR. Where a material difference exists in the underlying risks between the Company's own views and those captured by the Standard Formula, the Company shall consider an alternative approach in determining the OSN by making reference to its Risk Register and Risk Appetite Statement.

Risk Reporting

The Risk Management Function reports to the Board at each Board meeting. The report contains details of the outcome of the Risk Register review, the results of the comparison of the RAS to actual results, an update on emerging risks and the ORSA report.

The report contains both qualitative and quantitative aspects and covers all key risks of IDA.

The Risk Management Function provides a report to the Board based on the occurrence of an event which materially alters the risk profile of IDA or if the tolerance level triggers are breached.

The Risk Management Function advises the Board on the quality of the data used in the review of the Risk Management System, including any deficiencies that may have been identified during the course of the review.

B.4 Internal Control System

IDA utilises the internal control system that comprises three lines of defence, comprising primary risk owners (first line), independent risk management and control functions (second line) and an independent internal audit (third line). This structure is consistent with IDA's risk management structure and the IDA Board considers it appropriate to the management of the IDA risks.

1. First line: The majority of IDA's employees comprise the first line of defence.
2. Second line: The insurance managers as the Risk Management and Compliance function holders comprise the second line of defence. The managers provide independent oversight of the activities performed within the first line. The Investment Committee is the second line of defence for investments.
3. Third line: The third line of defence comprises the Internal Audit function. Senior managers are attendees of risk governance committees.

The Company is fully committed to compliance with the requirements of the MFSA and all applicable legislation and regulations (collectively known as the Company's "Compliance Obligations"). The Board of Directors is fully committed to ensuring that the Company's activities remain within the boundaries of these "Compliance Obligations".

In order to demonstrate the Company's ongoing commitment to compliance, a submission is made by the appointed Compliance Officer to the Board of Directors at each Board meeting. This reporting activity addresses how the Company is achieving full compliance, if there are any breaches and how such breaches are being rectified.

In terms of the Compliance Policy

1. The Company has appropriate policies and procedures as are required to ensure that it can meet its Compliance Obligations;
2. the Company prepares on an annual basis an appropriate Compliance Plan, in order to set the compliance objectives and detailing the actions to be taken by the Complia nee Function;
3. a program of monitoring is implemented to assess the Company's fulfilment of its Compliance Obligations;
4. the Company maintains/retains documentary evidence to support the conclusions reached regarding the status of its Compliance.
   In assessing the requirements
5. All the legal, regulatory and statutory code requirements underlying the Compliance Obligations and under which the Company is authorised and licensed to operate are identified on an annual basis as being the Compliance Universe for the Company and included into the annual Compliance Plan of the undertaking;
6. the Compliance Universe of the Company is updated according to any new legislation, regulations, standards or guidelines enacted or introduced during the year;

7. the detailed requirements of the Company's Compliance Obligations are monitored and documented into the Compliance Audit Statement in order to identify the current state/method of compliance and any deficiencies; and
8. any identified deficiencies or breaches are brought to the attention of the Board of Directors and a relevant action plan is prepared, thus identifying the specific actions to be taken, the relevant owner and a reasonable timeframe for completion.

B.5 Internal Audit Function

Internal audit primarily provides an independent and objective opinion to the Board and Management of the Company, and to its supervisory authority as necessary, on the functioning, adequacy, and effectiveness of the company's system of governance, internal controls and risk management framework, and on compliance with the Company's established policies and procedures, internal strategies and reporting requirements. The Internal Audit findings are also of benefit to line management in the audited areas.

Internal Audit is independent of the organisational and operational activities which it audits to ensure that the judgements essential to its proper conduct and impartial advice to management are objective and unbiased. The Company commits itself to ensuring that the Internal Audit Function is not subject to influence from the Board of Directors that can impair its operational independence and impartiality. Given the size of the Company, the Internal Audit Function reports on a regular basis directly to the Board of Directors. It is free to express its opinions and to disclose its findings and appraisals to the whole Board.

Under the authority conferred on it by the Board of Directors, Internal Audit has UNRESTRICTED ACCESS to all records, including management information and Board and Board committees' minutes, assets, third party service providers (TPSP) and their premises and has the authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities, by direct communication with all members of staff of TPSPs.

By order of the Board of Directors all business units are obliged to inform the internal audit functionwhen control deficiencies are recognised, losses are sustained or there is a definite suspicion concerning irregularities.

Internal Audit is required to operate to the standards of the International Institute of Internal Auditors or similar standards. It fulfils its role by systematic review and evaluation of risk management, controland governance which comprises the policies, procedures, and operations that management have put in place to:

1. establish, and monitor the achievement of, the company's objectives;
2. identify, assess and manage the risks to achieving the organisation's objectives;
3. ensure the economical, effective and efficient use of resources;
4. ensure compliance with established policies (including behavioral and ethical expectations), procedures, laws and regulations;

5. safeguard the organisation's assets and interests from losses of all kinds, including those arising from fraud, irregularity or corruption;
6. ensure the integrity and reliability of information, accounts and data, including internal and external reporting and accountability processes.

In order to support this role, the Internal Audit Function is required to maintain an audit strategy in line with the best practice guidance issued by the International Institute of Internal Auditors or any guidance issued by EIOPA or local regulators that is more specific to the internal auditing of insurers.

Reporting

Following an audit, once reports have been agreed and finalised with line managers of the audited unit, a copy of the final report is copied to the following:

- TPSPs responsible for the area in question;
- Members of the Board of Directors.

These written reports are issued regardless of whether material shortcomings have been found. These reports include recommendations on how to remedy inadequacies, including the envisaged period of time to remedy such shortcomings. The Board, supported by the Management, determines what actions are to be taken with respect to each of the internal audit finds and recommendations and ensures that these actions are carried out.

Internal audit periodically reports to the Board on the status of the implementation of findings reported in prior audit reports.

The internal audit function prepares an audit plan setting out the audit work to be undertaken in the upcoming business year(s). The audit plan is based on a methodical risk analysis, taking into account all activities and the complete system of governance, as well as expected developments of activities and innovations. On the basis of the result of this risk analysis, a detailed plan for the upcoming year, with an outline place for the following 3 years, is established.

The plan allows for the review, within a reasonable period of time based on the audit cycle principle, of all significant activities, taking into consideration how often important areas of the company require scrutiny.

During the course of the year the detailed plan is varied as necessary to take account of altered circumstances and new or emerging risks, with the approval of the Board.

The IA can be outsourced to a specialised TPSP or to the Internal Audit function of the Group. The Board will need to ensure that the TPSP or Group have the resources necessary for the delivery of the IA service for the year(s) ahead.

The Board of Directors is entitled to instruct the Internal Audit Function to perform any other special tasks as deemed appropriate.

B.6 Actuarial Function

IDA outsources the Actuarial Function to take advantage of external expertise. This critical operational service is outsourced to Marsh UK Limited. Marsh UK carries out the duties of the Actuarial Function as required by the Solvency II Directive. These services are outlined below as per the Solvency II Directive and are explained in more detail:

1. coordinate the calculation of technical provisions;
2. ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
3. assess the sufficiency and quality of the data used in the calculation of technical provisions;
4. compare best estimates against experience;
5. inform the Board of the reliability and adequacy of the calculation of technical provisions;
6. oversee the calculation of technical provisions;
7. express an opinion on the overall underwriting policy;
8. express an opinion on the adequacy of reinsurance arrangements;
9. contribute to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements, and to the Own Risk and Solvency Assessment.
10. Review the Own Risk and Solvency Assessment ("ORSA") report as set out in Article 45 of the Solvency II Directive including an assessment of the range of risks and stresses considered, and the appropriateness of the financial projections
11. Review the calculation of the Solvency Capital Requirement ("SCR") and the Minimum Capital Requirement ("MCR") and Own Funds.
12. Attend Board of Directors meetings as required by the Company
13. Liaise with the Company's auditors as necessary

B6.1 Coordinate the Calculation of Technical Provisions

The frequency of the valuation is quarterly for all reserves and all classes of business.

The scope of Engagement also includes active participation and mediation with the Malta Financial Services Authority for any regulatory matters of the company. The following duties fall within the scope of the Function:

1. Identification of any sources of deviation from statutory requirements and implementation of any relevant changes in order to ensure that the calculation performed is consistent with those requirements. In particular, the actuaries use methodologies that allow a complete analysis regarding those requirements;

2. Validation of the methodologies used to assess the sufficiency of the technical provisions, including back testing against past experience, giving due considerations to changes over time;

3. Development of an understanding of the different drivers of risk that affect the level of technical provisions and its structure of dependencies. Furthermore, we will perform any relevant analysis of the internal data and consult relevant market information in order to improve this understanding;

4. Coordination of the assessment and validation of internal data to determine the level of compliance according to the standards for data quality and, if necessary, recommend the implementation of improvements in the internal procedures that are considered relevant;

5. Comparison and validation of technical provisions based on experience and identification of solutions on how to deal with any material differences detected, which may imply revisions of assumptions and/or methodologies;

6. High level analysis of movement between successive valuations.

As from 2021, Pillar 3 reports are being prepared inhouse and reviewed by Marsh Management Malta Limited.

B6.2 Calculation of SCR and MCR

IDA Insurance Ltd's finance team is responsible for the calculation of the SCR and the MCR, while the review of such workings is carried out by Marsh Management Services Malta Limited together with Marsh UK, the actuarial function. The frequency of the calculation will be quarterly.

A management report on the process and results is prepared at least quarterly by IDA's Insurance Finance Team, covering:

1. The revised balance sheet of the company pinpointing the valuation adjustments to assets and liabilities due to the differences in the valuation principles;

2. Summary of the indicative results of the stress test regarding the calculation of the MCR and the SCR;

3. Analysis of capital requirement, including capital requirements per type of risk and simulations to assess how capital requirements vary with different strategic options;

4. Interpretation of results, identifying any particular issues with the EIOPA methodology;

5. A comparison of results with the ones under the existing solvency capital methodology, highlighting key differences;

6. Identification of areas for improvement in the process and methodology and suggestions of methods to improve.

7. Prepare the required input into the ORSA if the risk profile and/or the business model of the Company changes during the year, triggering an additional SCR calculation and an exceptional ORSA to be carried out during the same year.

B6.3 Issuing an Opinion on the Underwriting Policy

The opinion on the overall underwriting policy covers the following:

1. whether the underwriting policy is consistent with product pricing;
2. an opinion on the principal risk factors influencing the profitability of business to be written during the next year, including the potential impact on future profitability of external factors such as inflation, legal risk and changes in the market environment;
3. an opinion on the likely financial impact of any material planned changes in products' terms and conditions;
4. the approximate degree of variability surrounding the estimate of expected profitability; and,
5. the consistency of this approximate degree of variability with the risk appetite of the undertaking.

All information is communicated to the senior management of the Company. The opinions on the underwriting policy and reinsurance arrangements include, when necessary, recommendations regarding the most appropriate strategies to be followed by the company in this matter.

B6.4 Issuing an opinion on the reinsurance arrangements

The opinion of the adequacy of the undertaking's reinsurance arrangements includes the following components:

1. the consistency of the company's reinsurance arrangements with its risk appetite;
2. the treatment and effect of reinsurance on the estimation of net technical provisions; and
3. the effect of reinsurance arrangements on the volatility of the company's financial strength.

The opinion on the adequacy of reinsurance arrangements will include an assessment of how the reinsurance coverage could respond under a number of stress scenarios. These scenarios may include situations such as the following:

1. exposure of the undertaking's portfolio of business to catastrophic claims experience,
2. aggregations of risks,
3. concentrations of reinsurance security and potential reinsurance exhaustion.

B6.5 Contributing to the effective implementation of the risk-management system

Marsh provides guidance and expertise for the implementation of an effective ERM framework. This service encompasses all critical steps of the framework.

The Actuarial Function works closely with the Risk Management Function (RMF) and makes available to it our expertise and experience. The Actuarial Function supports the RMF in meeting the various requirements of its role and be familiar with what is required of it.

The Actuarial Function contributes to the risk modelling underlying the calculation of both the solvency capital requirement and minimum capital requirement. Depending on the complexity of the risk management system, actuarial methods are applied that call for a detailed understanding of statistical methods and the probabilities of insurance risks, such as claims frequencies and severities, understanding and assessing the use of risk mitigation techniques and understanding volatility and adverse deviation.

The Actuarial Function guides the Company on how to reflect business realities in actuarial models and risk management processes, to ensure that the ORSA output is relevant for the business. The Actuarial Function provides the necessary expertise in order to:

- Understand the detailed requirements regarding the ORSA and identify gaps relative to current risk management processes

- Begin to plan how current risk management, financial reporting and modelling Systems will need to change to create an effective ORSA

As part of the ORSA, the Actuarial Function contributes to the assessment of the compliance with the requirements regarding the technical provisions and the analysis of deviations of the company's risk profile from the assumptions underlying the calculation of the solvency capital requirement with the standard formula.
The Actuarial Function is also expresses an opinion on the following parts of the ORSA process:

- Determine the risks to be included in the ORSA and how these will be quantified.

- Set up processes in order to notify the Company whenever the risk profile deviates from the assumptions underlying the SCR.

- Introduce a formalised and documented capital monitoring and management process.

- Describe the controls and processes needed to ensure that robust & formalised modelling, monitoring and roll forward tools are in place.

- Assist the company in preparing and adequately document a risk-based business strategy and a process to ensure that the business strategy is reviewed and updated regularly.

- Identify and introduce projections of the business risks which are a key part of any undertaking's financial planning, such as projections of the business plan (capital impact), economic balance sheet and profit and loss account.

- Provide the resources and the expertise necessary in order to set up the processes to facilitate a regular assessment of the company's solvency needs and compliance.

B.7 Outsourcing

IDA outsources various activities where the Board believes outsourcing can provide access to superior processes and technical skills than it would achieve on a standalone basis. As a result of these arrangements, IDA has transferred its functional risk exposure but accepts counterparty risk exposure.

The objectives and high-level principles of the outsourcing policy are;

1. that the risks associated without sourcing are appropriately managed and that the Company has adequate measures in place to identify, measure, monitor, manage and report these risks in a timely manner as part of the Company's overall risk management system;

2. that outsourced service providers have the appropriate expertise and experience and resources to undertake the outsourced activities to the standards required by the Company;

3. that there is no reduction in the Board of Directors' ("the Board"), and where applicable a relevant sub committee's responsibility for, or influence over, key functions of the Company as a result of outsourcing;

4. that there is no material impairment of the quality of the Company's System of Governance as a result of outsourcing a key activity or function;

5. that the Company's approved policies and procedures are adhered to by the outsourced service provider;

6. that there is no material impairment of the Company's ability to fulfil its obligations to stakeholders, nor impede effective supervision by regulators as a result of outsourcing a key activity or function;

7. that no material conflicts of interest result from outsourcing a key function or activity;

8. that all outsourcing arrangement are supported by appropriately detailed written agreements

The Board is responsible for the approval, application and review of the Outsourcing Policy. The Board is ultimately responsible for the approval of and termination of all outsourcing arrangements of critical or important functions and activities.

The Board may delegate the ongoing monitoring and supervision of outsourcing arrangements to a subcommittee of the Board.

All functions and activities of the Company are eligible to be outsourced provided that each of the objectives detailed above are achieved in each instance.

A service provider may be either an entity from within the Group (Internal Outsourcing) or an entity that is not part of the same (External Outsourcing), provided that the objectives detailed above are achieved in each instance.

Sub outsourcing is allowable on the condition that the sub outsourced service provider satisfies the Service Level Agreements requirements and is subject to approval from the Board. Any sub-outsourcing activities shall be governed by the conditions established in the outsourcing agreements:

- between the Company and the outsourcing provider
- between the outsourcing provider and the sub-outsourcing provider

All outsourcing relationships must be governed by written contracts in accordance with specific Service Level Agreement requirements.

Critical or important functions or activities include key functions of the Company's System of Governance and all functions and activities within the Company that are fundamental to carry out its core business.

The Board decides whether arrangements with third parties are deemed to fall within the scope of this Outsourcing Policy. The provision of services which do not form part of the Company's core activities need not be included within the scope of the policy.

Upon agreement by the Board to outsource a critical or important function, formal 'requests for proposal' ('RFP') should be sent to at least three potential providers where possible. The RFP shall specify the information required to allow the Board to evaluate the service provider based on the evaluation rationale detailed below.

The appointment of a service provider is subject to the following:

- An evaluation process must be undertaken prior to any decision on appointments.
- The evaluation process must include an assessment of the service provider's control framework, covering performance standards, policies, procedures, compliance, reporting, monitoring processes and BCP.
- The evaluation should also address other issues, such as business strategy, reputation, experience with the proposed outsourced activities and potential conflict of interest where the service provider is related to the Company or has arrangements with competitors.
- The Board may delegate the execution of the evaluation process to a subcommittee, function or Company representative provided no material conflict of interest arises from such delegation.

- The risks associated with the outsourcing of the activity or function, shall be considered and included in the evaluation process.

- The evaluation process should be appropriately documented with results presented to the Board for consideration.

- All decisions in relation to approval of outsourcing rest with the Board of Directors only.

- The Board shall ensure prior to appointment of a service provider that the service provider has checked the fitness and propriety of the key persons working on the function or performing the activity.

- The Board shall ensure that the outsourced service provider adheres to the Company's policies and that the effectiveness of the Company's system of governance is not lessened or compromised by the outsourcing arrangements.

This adherence to the Companies policies shall contribute to the evaluation process of the service provider as outlined in the following section.

- The Board shall review the performance of service providers acting in an outsource capacity on a periodic basis and at least annually.

- The Company shall ask each Critical Outsourced Function to complete a questionnaire to assess the continued appropriateness of its outsourcing arrangements.

- The Board may delegate the responsibility for the performance evaluation to a subcommittee, function, Company representative or Group subject to conflict of interest considerations. The Board retains ultimate responsibility for all decisions in relation to outsourcing arrangements.

- The performance of the service provider will be based on a comparison of the actual performance of the service provider in comparison with the required performance as per the agreed Service Level Agreement ('SLA').

- The review shall also consider the requirement for the function or activity to be outsourced for the short, medium and long term.

- The review process shall be adequately documented with results communicated to the Board for consideration.

- All decisions and actions points arising from the Board's considerations of the Company's outsourcing arrangements shall be appropriately actioned and documented.

Outsourcing risk shall be monitored by the Risk Management Function periodically in line with the

Company's overall risk management arrangements and procedures, be present in the Company's Risk Appetite and Risk Register as required.

The results of the assessment of the risks associated with outsourcing shall be documented and reported to the Board at least annually.

The following risks and related mitigations available should at least be considered as part of this process:

- The financial, reputational, and operational impact on the Company of the failure of a service provider to adequately perform the activity;
- The financial, reputational, and operational impact on the Company of service provider failure;
- The risk associated with increased considerations in Business Continuity Planning (BCP);

Consideration should be given as to whether all the risks associated with the outsourcing of an activity or functions are included in the Company's Risk Management System.

All outsourcing arrangements deemed within scope of the Company's Outsourcing policy must be undertaken using a written, legally binding Service Level Agreements ("SLA"). The SLA must document all components of the outsourcing arrangement between the parties.

The agreement shall have a termination clause.

The SLA shall specify the content, frequency and format of the service being provided.

The SLA shall specifically cover any subcontracting by the service provider, including any specific rules or limitations to such arrangements. The same terms that apply to the service provider, as outlined in the SLA, should apply to sub-contractors or outsourcing arrangements by the primary service provider.

The SLA shall include clauses enabling the Company to access documentation related to the outsourcing arrangement, and to conduct on-site visits to the service provider. This should include arrangements for the Company to meet directly with the service provider, and for the service provider to cooperate with the Company's requests for information and assistance. The regulatory and supervisory authority and the external auditor of the Company shall also have effective access to all information relating to the outsourced functions and activities, including carrying out on-site inspections at the business premises of the service provider. The regulatory and supervisory authority may also address questions directly to the service provider, to which the service provider shall reply.

The SLA shall require the service provider to disclose any development which may have a material impact on its ability to carry out the outsourced functions and activities effectively and in compliance with applicable laws and regulatory requirements.

With respect to default arrangements, the SLA shall clearly specify what constitutes a default event, identify how these are to be rectified and specify any indemnity provisions.

The circumstances that would lead to a termination of the outsourcing arrangement should be clearly specified in the SLA. It should set out possible reasons for terminating the arrangement and procedures to be followed in the event of termination, including notice periods, the rights and responsibilities of the respective parties and transition arrangements. The latter would address access to, and ownership of, documents, records, software and hardware. Termination clauses should also specify the time period over which the business activity continues to be undertaken by the service provider and its role in transitional arrangements. The service provider can only terminate the SLA with a period sufficiently long to enable the Company to find alternate solutions or service providers and without detriment to the continuity and quality of its provision of service to the policyholders.

The designated subcommittee/function/representative shall report on the performance of the variousoutsourced service providers against the agreed SLA as appropriate, and the finding will be documented appropriately.

The Risk Management Function shall report at least annually to the Board on the assessment of the risks associated with the outsourcing of the various functions as part of the overall risk monitoring and reporting arrangements of the Company.

B.8 Any other information

There is no other information to report on.

Section C – Risk Profile

The Company operates a low-risk business model that is supported by a robust risk management framework that ensures risks are well understood and controlled. This is facilitated by daily systematic quantification of all risks and a culture that promotes the importance of risk management. Integral to this is a thorough understanding and articulation of the Company's risk exposures. Determining the prevailing risk landscape within the Company allows Management, its Committees and the Board to assess the appetite for each emerging risk and to ensure that all are quantifiable and managed consistently with our appetite to risk.

An overview of the principal risks associated with the business including an outline of how they are each managed is provided below.

C.1 Underwriting Risk

Underwriting risk is defined as the risk under any one insurance contract which is assessed as the probability that an insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random, unknown and unpredictable.

As its primary insurance activity the Company assumes risks relating to underwater diving activity. The Company is therefore exposed to the uncertainty surrounding the timing and severity of claims under the insurance contract. The terms and conditions of the insurance contracts it issues sets out the basis for the determination of the company's liability should the insured event occur. Through its insurance and investment activity the Company also has exposure to market and financial risk.

The Company also faces risks that the actual claims are significantly different to the amounts included within the technical provisions. This could occur because the frequency of severity of claims is greater or lower than estimated. The insurance risks are further mitigated through strict underwriting criteria, the utilising of actuarial review and the use of reinsurance. In monitoring the effectiveness of its mitigation techniques, the company holds regular internal discussions through various committees in ensuring that risk exposures are being mitigated in the best possible manner reflecting business realities.

The Company manages its insurance risk through underwriting limits, approval procedures for transactions that involve new products or that exceed set limits, pricing guidelines, centralised management of reinsurance and monitoring of emerging issues.

Since its establishment, the Company has developed its own underwriting criteria and strategy which have evolved in line with the technical underwriting discipline of its international treaty reinsurers. The Company reinsures part of the risks it underwrites in order to control its exposures to losses and protect capital resources. The Company buys non-proportionate reinsurance treaties to reduce the Company's net exposure.

Ceded reinsurance contains credit risk, and such reinsurance recoverable are reported after deductions, if any, for known insolvencies and uncollectible items. The Company monitors the financial condition of reinsurers' on an ongoing basis and reviews its reinsurance arrangements annually. The Company utilises a reinsurance agreement with non-affiliated reinsurers to control its exposure to losses resulting from one occurrence and for the accumulation of net losses arising out of one occurrence.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio.

Factors that aggravate insurance risk include lack of risk diversification in terms of type and amount of risk and geographical location spread. To date, the company is underwriting risks which spread across various geographical regions. By writing risks which already fall within it suite of ongoing schemes, the company is allowing for the degree of relative variability to remain within an expected outcome.

For the 2023 ORSA process, IDA considered stress and scenario analysis including risk sensitivities. These looked into the events where the Swiss branch would go into run-off, a drop in sales and claims by 10% and 5% respectively together with a flat movement on any investment held. Furthermore, test the effects of travel restrictions which would impact the number of memberships ranging from 15% to 20% over a two-year period which indirectly has an impact on the GWP, an outage of the IT system impacting the writing of premiums and operations lasting a maximum of one month yet provided the controls in place, this down time would not take more than three to four days and an impairment scenario of the investment in its subsidiary "VING".

Results of these scenarios and their effect on the company's solvency position are being reproduced below. Details of the respective scenarios can be referred to in the ORSA document.

Scenario 1	2023	2024	2025	2026
Eligible Own Funds to Meet SCR	4,460,529	4,644,020	5,651,217	6,074,176
Tier 3 Assets	347,762	386,157	356,839	177,258
Eligible Own Funds to Meet MCR	4,112,767	4,657,863	5,294,378	5,896,918
SCR	2,318,416	2,574,380	2,833,174	3,087,394
Surplus/(Deficit)	2,142,113	2,069,640	2,818,043	2,986,782
Solvency Ratio	192%	180%	199%	197%
MCR	4,000,000	4,000,000	4,000,000	4,000,000
Surplus/(Deficit)	112,767	657,863	1,294,378	1,896,918
Solvency Ratio	103%	116%	132%	147%

Scenario 2	2023	2024	2025	2026
Eligible Own Funds to Meet SCR	4,336,892	4,449,809	4,097,921	6,002,518
Tier 3 Assets	348,272	370,076	379,825	455,958
Eligible Own Funds to Meet MCR	3,988,620	4,079,733	3,718,096	5,546,560
SCR	2,321,817	2,467,171	2,530,805	3,039,717
Surplus/(Deficit)	2,015,075	1,982,638	1,567,116	2,962,801
Solvency Ratio	187%	180%	162%	197%
MCR	4,000,000	4,000,000	4,000,000	4,000,000
Surplus/(Deficit)	(11,380)	79,733	(281,904)	1,546,560
Solvency Ratio	100%	102%	93%	139%

Scenario 3	2023	2024	2025	2026
Eligible Own Funds to Meet SCR	4,459,441	4,466,370	4,919,922	6,074,176
Tier 3 Assets	345,544	375,008	383,296	263,331
Eligible Own Funds to Meet MCR	4,113,897	4,091,362	4,536,626	5,810,845
SCR	2,303,823	2,466,056	2,744,769	3,077,173
Surplus/(Deficit)	2,155,618	2,000,314	2,175,153	2,997,003
Solvency Ratio	194%	181%	179%	197%
MCR	4,000,000	4,000,000	4,000,000	4,000,000
Surplus/(Deficit)	113,897	91,362	536,626	1,810,845
Solvency Ratio	103%	102%	113%	145%

	Scenario 4			
	2023	2024	2025	2026
Eligible Own Funds to Meet SCR	4,460,529	4,944,020	5,510,857	6,198,696
Tier 3 Assets	347,762	386,157	299,397	179,360
Eligible Own Funds to Meet MCR	4,112,767	4,557,863	5,211,460	6,019,336
SCR	2,318,416	2,574,380	2,823,692	3,101,969
Surplus/(Deficit)	2,142,113	2,369,640	2,687,165	3,096,727
Solvency Ratio	192%	192%	195%	200%
MCR	4,000,000	4,000,000	4,000,000	4,000,000
Surplus/(Deficit)	112,767	557,863	1,211,460	2,019,336
Solvency Ratio	103%	114%	130%	150%

Reverse Stress Test

In this scenario the Company has considered a 30% loss of the amount due to IDA and VING by DAN which will result in the MCR falling to 99%. This is being considered as a result of the current NAV of VING which is substantially lower than the 1 million included within IDA's accounts.

	RST			
	2023	2024	2025	2026
Eligible Own Funds to Meet SCR	4,460,529	4,325,478	5,004,512	5,864,359
Tier 3 Assets	347,762	377,393	414,268	363,052
Eligible Own Funds to Meet MCR	4,112,767	3,948,085	4,590,244	5,501,307
SCR	2,318,416	2,515,951	2,761,787	3,053,989
Surplus/(Deficit)	2,142,113	1,809,527	2,242,725	2,810,370
Solvency Ratio	192%	172%	181%	192%
MCR	4,000,000	4,000,000	4,000,000	4,000,000
Surplus/(Deficit)	112,767	(51,915)	590,244	1,501,307
Solvency Ratio	103%	99%	115%	138%

C.2 Market Risk

C 2.1 Interest Rate Risk

The Company is exposed to cash flow interest rate risk on debts instruments carrying a floating interest rate and to fair value interest rate risk on debt instruments carrying a fixed interest rate. Investments in equity instruments are not exposed to interest rate risk. Approximately 94%(2022: 92%) of the Company's debt instruments and cash and cash equivalents bear fixed interest rates.

Management monitors the movement in interest rates and, where possible, reacts to material movements in such rates by restructuring its financing structure and by maintaining an appropriate mix between fixed and floating rate borrowings.

C2.2 Price Risk

The Company is exposed to price movement risk arising from its holdings of investments classified in its statement of financial position as at fair value.

Should market prices at the end of the reporting period increase/decrease by 10%, with all other variables held constant, the impact on the Company's total comprehensive income would be +/- *EUR305,397* in 2023 (2022: +/-*EUR305,608*).

C 2.3 Currency Risk

The Company is only exposed to currency risk from its investments and bank balances held in non-euro denominated currency. All of the claims provisions are held in euro, so the company is not exposed to FX risk from that end. As at December 2023 the Company made *EUR50,887* in unrealized gains on an investment value of EUR201,942 held in non-euro denominated investment exposure.

C.3 Counterparty Default Risk

The Group utilises reinsurance to manage efficiently insurance risk. The Group is therefore exposed to the failure of these counterparties. The exposure is reduced as the counterparties are diversifiedand also their credit riskiness ismanaged by ensuring A+ or above credit rating.

C.4 Credit Risk

The company has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the company is exposed to credit risk are:

1. Cash and cash equivalents
2. Reinsurer's share of technical provisions
3. Insurance and Other Receivables
4. Loans and receivables
5. Available-for-sale investments

The Company cedes insurance risk to limit exposure to underwriting losses under various agreements. These reinsurance agreements spread the risk and minimise the effect of losses. The amount of each risk retained depends on the Company's evaluation of the specific risk subject in certain circumstances, to maximum limits based on characteristics of coverage. Under the terms of the reinsurance agreements, the reinsurer agrees to reimburse the ceded amount in the event the claim is paid. However, the Company remains liable to its policyholders with respect to ceded insurance if any reinsurer fails to meet the obligations it assumes. The Company manages its credit risk arising through its reinsurance arrangements by using "A" rated reinsurers or reinsurers that are part of an"A" rated group. When selecting a reinsurer the Company considers their relative security. The security of the reinsurer is assessed from public rating information and from internal investigations.

The Company is exposed to contract holders and insurance intermediaries for insurance premium due. Insurance receivables are presented net of any allowance for doubtful debts. An allowance for doubtful debts is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. Credit risk with respect to insurance receivables is limited as insurance receivables are due from related parties.

The Company's investments are managed through an investment committee which operates within investment parameters set and approved by the Board of Directors. The procedures consider a recommended portfolio structure, asset and counterparty limits as well as currency restrictions.

Loans and receivables are term deposits held with quality financial institutions.

Available-for-sale investments comprise locally and foreign quoted bonds, locally and foreign quoted equities as well as an exchange traded fund. Quoted investments are acquired after assessing the quality of the relevant investments.

C.4 Liquidity Risk

A lack of liquidity within the business may both prevent the Company from being able to pay its obligations as amounts fall due. Such outcomes will clearly limit the ability of IDA to continue as a going concern and write new business.

The Company has to meet daily calls on its cash resources, notably from claims arising on its insurance contracts. There is therefore a risk that cash will not be available to settle liabilities when due. The Company manages this risk by adhering to its investment policy ensuring that an adequate amount of funds are invested in highly liquid investments.

Furthermore, the Company's Liquidity Policy requires sufficiently liquid assets to be held in order to meet outflows in extreme market. The liquidity buffer exists; ongoing monitoring also allows mitigating actions to be taken at an early stage if required.

C.5 Operational Risk

The Company is exposed to operational risk, which is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. In particular, this includes the failure of key outsourcing arrangements, business disruption, fraud and loss of key management.

This definition also includes legal risk and reputational risk, as the Company considers reputational risk critical and therefore has adopted this broad definition of operational risk.

The process through which the Company's operational risk universe is determined and subsequent estimates of frequency and severity are assessed is captured in the Operational Risk Policy document. This process safeguards the ongoing improvement of the control environment and ensures that operational risk is identifiable and mitigated.

The Company is reliant on the use of external parties to provide some services, and thus is therefore exposed to the potential failure of these outsourcing partners. The outsourced service providers are themselves regulated and bound by an agreed service level agreement. On an annual basis the Company conducts an assessment of the outsourced service providers to ensure that they have a robust continuity plan in ensuring the stability and continuity of the business.

C.6 Other material risks

C6.1 Regulatory Risks

A change in the regulatory, legal or political environment may have consequences on the Company's Business Model, operations and financials. The Company is subject to financial regulation in Malta and is required to comply with capital adequacy requirements.

Although the Solvency II regime has now been implemented, it remains subject to future amendments to improve its operation and to better align approaches across Europe. The Company maintains ongoing dialogue with the Regulator in order to ensure ongoing compliance and the ability to react quickly to any unanticipated changes.

Investment of Assets in accordance with the Prudent Person Principle

The Company invests its assets in a manner to ensure the quality of security, performance and its convertibility into cash for its life and non-life portfolio of investments.

The Investment Committee takes investment decisions based on the Prudent Person Principle in the interest of policyholders and shareholders. The Committee manages the investments through aninvestment policy approved by the Board. The strategy allows instruments, within the tolerance levels, that can be identifiable, measured and monitored. The Committee ensures that the assets of the Company are held with a Custodian of good repute.

In particular, the Company invests in a prudent manner, in securities

1. In countries with a stable outlook
2. Which are sufficiently liquid
3. Of high and good quality
4. Not subordinate; and
5. Not in government securities in countries included in the 'blacklist' of the Financial Action Task Force (FATF)

C.7 Any other information

Emerging Risks

IDA is operating in an always-changing environment, which makes it challenging to anticipate all the risks the Company could face. The company is and will continue to face risks such as inflation risks and increases in interest rates. However, the company work on responding in an agile way to appropriately protect the company against the next significant emerging risk. The Risk Management Function provides assistance to the Board in the identification and assessment of new and emerging risks. This is done together with the Risk Register review and whenever the need arises, such as when a new risk emerges which may impact IDA.

There are no other information to report on.

Section D – Valuation for Solvency Purposes

D.1 Valuation of Assets

The valuation and measurement bases of assets under the International Financial Reporting Standards ("I FRS") as adopted by the EU and Solvency II Directive with the valuation and recognition for material classes is as follows:

D.1.1 Investments

IFRS

The Company's investments are classified into the following categories – loans and receivables and financial assets held at Fair Value through Profit or Loss and Fair Value through Other Comprehensive Income and investment in subsidiary. The classification depends on the purpose for which the investments were acquired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that are held for trading or are designated upon initial recognition as at fair value through profit or loss or as available-for-sale financial assets or those for which the Company may not recover substantially all of its initial investment other than because of credit deterioration. After initial recognition, loans and receivables are measured at amortised cost using the effective interest method.

Financial assets are those non-derivative financial assets that are either designated in this category by the Company or not classified as loans and receivables, financial assets at fair value through other comprehensive income or financial assets at fair value through profit or loss. After initial recognition, financial assets are measured at their fair value.

Solvency II

All investments must be measured at fair value on the Solvency II balance sheet, regardless of the accounting portfolio under which they are classified. As the assets are reported on a fair value basis for IFRS and Solvency II, the only difference is the inclusion of the accrued interest received in the investments in bonds as required for Solvency II purposes.

D.1.2 Deferred tax asset

IFRS

Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also dealt with in other comprehensive income or in equity, as appropriate.

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Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets, are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to set off its current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Assets and liabilities are measured on an economic basis under Solvency II. This creates a difference in valuation as compared with IFRS. As a consequence a further profit/ loss can arise as compared with the accounting basis, with an associated deferred tax liability/ deferred tax asset. EUR 828,741 deferred tax asset is expected to be utilised with reference to probable future taxable profit, as at 31 December 2023.

The net deferred tax assets are available as basic own-fund items classified as Tier 3 in accordance with Article 76(a)(iii) of the Delegated Regulations. EUR 828,741 is recognised as eligible own funds after applying the eligibility limits set out in Article 82 of the Delegated Regulations. However, as at 31 December 2023 the MCR is greater than the SCR. The solvency of the Company is therefore driven by the relationship between the MCR and the total eligible own funds to meet the MCR. Tier 3 own funds items, such as deferred tax assets, do not contribute to total eligible own funds to meet the MCR and as such do not currently affect the solvency of the Company.
Future taxable profit has been projected based on the Company's ORSA, which based on a 3-year budgeting exercise that projects income statements and balance sheets. Future levels of new business, claims, expenses, reserves and investment income are predicted.

D.1.3 Cash and cash equivalents

IFRS

Cash and cash equivalents comprise of cash balances and term deposits with an originating maturity of three months or less.

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Solvency II

There are no differences between the recognition and valuation for cash and cash equivalent for Solvency II and IFRS balance sheet.

D.1.4 Reinsurance recoverable

IFRS

In the financial statements, reinsurance assets consist of receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts, together with the reclassification of the profit commission receivable. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due.

Amounts recoverable under reinsurance contracts are assessed for impairment at each reporting period. Such assets are deemed as being impaired if objective evidence exists, as a result of an event that occurred after its initial recognition, that the Company may not recover all amounts due and that the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurers.

On a Solvency II valuation, the reinsurance recoverable are valued on a best estimate basis, whereas.

D.1.5 Receivables

IFRS

Under IFRS 17, insurance receivables have been classified against the liabilities for remaining coverage as part of the insurance contract liabilities, whilst the trade receivables relate to the amounts due from the related parties less any ECL adjustment and the accrued interest receivable for the bond instruments, which have been classified as part of the financial assets for Solvency II purposes as per Note D.1.1.

Solvency II

Under Solvency II, the reinsurance receivable mostly relate to the profit commission receivable and the amounts due from Allied and have been classified as part of the reinsurance receivables. and IFRS balance sheet except for the accrued interest receivable which are reported as part of the investments for Solvency II purposes.

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D.1.6 Investment in Subsidiary

IFRS

Investment in Subsidiary is stated at the lower of the cost value or net realisable value (after accounting for impairment) within the IFRS Balance sheet.

Solvency II

Within the Solvency II Balance sheet the valuation was assessed to be Nil due to the losses incurred by the Subsidiary during the past years and the net asset value of the subsidiary was not independently audited.

Summary of Differences between IFRS and Solvency II Valuation

IDA Insurance Limited Assets (EUR)	Current Accounting Bases	SII Valuation Principles
Goodwill		
Deferred Acquisition Costs		
Intangible Assets		-
Deferred Tax Assets	370,000	828,741
Pension benefit surplus		
Investments	3,785,807	3,083,010
Property (Other than Own Use)	-	-
Participations and related undertakings	731,836	-
Equities (Other than Participations)	196,010	196,014
Equities (Other than Participations) - Listed	196,010	196,014
Equities (Other than Participations) - Unlisted		
Bonds	2,839,983	2,869,018
Government and Multilateral Banks		
Corporate	2,839,983	2,869,018
Structured Notes		
Collateralised Securities		
Collective Investments Undertakings	17,978	17,978
Derivatives		
Deposits other than cash equivalents	-	-
Other Investments		
Mortgages and Loans Made	-	-
Mortgages & loans to individuals		
Other Mortgages & loans		
Loans on Policies		
Reinsurance recoverables	1,698,652	541,526
Reinsurance share of TP - non-life excluding health		497,236
Reinsurance share of TP - health similar to non-life		44,289
Deposits to cedants		
Insurance & Intermediaries Receivables		
Reinsurance Receivables		498,601
Receivables (trade, not insurance)	3,208,267	3,296,649
Own Shares		
Amounts due in respect of own fund items or initial fund		
Cash & Cash Equivalents	3,932,106	3,932,106
Any Other Assets, Not Elsewhere Shown		-
Total assets	12,994,832	12,180,632

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Differences exists for Reinsurance Recoverable, Investments as described below:

1. **Reinsurance recoverable** – these represent the amounts expected to be received from reinsurers in respect of outstanding, incurred but not reported and future claims in respect of existing policies. They are calculated as the difference between Gross and Net provisions. On a Solvency II valuation, these are valued on a best estimate basis.

2. **Investments** – Within IFRS, the accrued interest is not taken into consideration as part of the value of investments. Whereas within Solvency II figures it is being taken into consideration as part of bonds. The investment in subsidiary which is classified as participations and related undertakings in solvency II, is measured at the lower of cost or net realizable value under the IFRS Balance Sheet, whereas under the Solvency II Balance Sheet, the valuation was assessed to be Nil.

D.2 Valuation of Technical Provisions

This section includes discussion of the technical provision valuations using Solvency II criterion including qualitative explanations for the main differences arising from their valuations using Solvency II and IFRS accounting.

The calculation of Technical Provisions under Solvency II relies on similar principles to the IFRS 17 calculation of liabilities with respect to expired and unexpired risk. Both calculations use the actuarial 'best estimate' of liabilities and are discounted on a cashflow basis, which takes into account the time value of money. Both approaches also allow for expenses, Events Not in Data (ENIDs) and a risk adjustment to account for the cost of holding capital.

Differences between both bases arise in the provision of expenses; IFRS 17 includes expense payables in the calculation of liabilities. Solvency II excludes expense payables but instead incorporates a provision for expenses that would be incurred in running off the business. Furthermore, Solvency II is more prescriptive on the discount rate and the methodology used for the calculation of the risk adjustment, whereas IFRS 17 is flexible and therefore may differ to the Solvency II assumptions used.

The table below shows the IFRS results compared to Solvency II.

IDA Insurance Limited Technical Provisions (EUR)	Current Accounting Bases	SII Valuation Principles
Gross Technical Provisions – Non-Life (Excluding Health)	6,508,564	3,465,706
TP calculated as a whole (Best estimate + Risk margin)		
Best Estimate		3,374,563
Risk Margin		91,143
Gross Technical Provisions - Health (Similar to Non-Life)		2,924,168
TP calculated as a whole (Best estimate + Risk margin)		
Best Estimate		2,841,010
Risk margin		83,158

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D.2.1 Methodology Assumptions used in the Valuation of Technical Provision for Solvency II Purposes

The calculation of Technical Provision under Solvency II includes changes to the calculation of provisions for claims outstanding and premium provisions. It also introduced the calculation of a risk margin that is not considered under IFRS.

D.2.1.1 Premium Provision

The calculation of the best estimate premium provision relates to all future claim payments expected to arise from future events (post the valuation date) that are insured under the insurer's existing policies that have not yet expired and to all expenses associated with these policies.

The provision for premiums (called the 'Liabilities for Remaining Coverage (LRC)' under IFRS but the 'Premium Provision' under Solvency II) is different under SII than the IFRS. This is due to the fact that only the expected claims are required to be reserved for under Solvency II along with the ability to offset the expected future claims with premium receivables.

The premium provision is determined on a prospective basis taking into account the expected cash-in and cash-out flows and time value of money. The expected cash flows for claims were determined by applying an appropriate claims ratio to the Unearned Premium Reserve ("UPR"). An overall expense provision has been calculated separately and apportioned between the premium provision and claims provision.

On the basis of the data analysis, this methodology and its underlying model and assumptions are deemed to be realistic for each line of business. The conditions rendering this method valid are met; namely:

1. It can be expected that the claims ratio, remains stable over the run-off period of the premium provision,
2. A reliable estimate of the claims ratio can be made,
3. The unearned premium provision is an adequate exposure measure for estimating future claims during the unexpired risk period.

For the purpose of this valuation we have assumed that "Expenses", under the Premium Provision, include all expense items, except acquisition costs which are allocated to each line of business by the company.

The difference between the Premium Provision and the current UPR represents an expected source of profits (losses if negative) that are expected to emerge during the remaining duration of unexpired policies. (The cost of commission is not taken into account).

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D.2.1.2 Claims Provision

The provision for claims outstanding relates to claim events that have already occurred, regardless of whether the claims arising from those events have been reported or not. Thus, the components of the Claims Provision are the Case by Case Estimates (OSLR), the IBNR, the IBNER and the reserve for associated expenses. Under both IFRS 17 and Solvency II, the reserves are discounted to allow for the time value of money.

Outstanding claims are projected in line with assumed settlement patterns and discounted using current yield curves to today's value. For Solvency II, the Company must also strip out any margin for uncertainty between the IFRS accounts and the best estimate claims reserve. Any margins of uncertainty such as risk adjustments must be removed alongside the effects of discounting and "Events not in data" which are included within the IFRS 17 calculation of the liabilities. Finally, any claims/ expense payable adjustments must also be excluded from the IFRS 17 figures to reach the actuarial best estimate reserves. Risk adjustments, discounting effects, ENIDs and claims and expense payables related to expired risk have therefore been removed from the IFRS 17 Liabilities of Incurred Claims (LIC) figure.

The Regulation requires the inclusion of 'run-off' expenses to be incorporated into the Solvency II calculation. SII also requires that an allowance for ENIDs is made within the claims provisions. These "Events not in data" reflect that the technical provisions must have an allowance for "all possible outcomes", including both latent claims and extreme events.

D.2.1.2a Incurred But Not Reported Claims (IBNR) and Incurred but not enough Reported (IBNER)

IBNR claims include an estimate for claims that have not yet been reported but have been incurred (i.e "pure" IBNR claims) while IBNER is an estimate for future movements on claims that have already been reported. A combination of the Chain Ladder, Bornheutter-Ferguson method and Average Cost Per Claim (ACPC) methods, have been used to project the gross incurred claims to ultimate. The ultimate position is the incurred position plus the Incurred But Not Reported claims plus the Incurred But Not Enough Reported claims.

The chain ladder method involves deriving loss development factors from the claims history at different points in time. From these incremental movement in total loss costs, an average development pattern is calculated. This pattern is used to develop the latest claims position for each underwriting year to its ultimate position – i.e. the cost at which the claims are likely to settle.

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The Bornhuetter-Ferguson method combines the chain ladder projection method with an exposure-based method. The exposure-based method looks at the trends in cost per unit of exposure over the historical years to establish a suitable rate loss ratio to be applied to the relevant year.

In addition to the above methods an Average Cost per Claim method has been used for classes and segmentations which had limited claims data (i.e. for Legal Expenses and for claims above €150k for the General Liability). The ACPC method is one that is usually adopted for more immature years or where there is limited data when the chain ladder technique is less reliable.

Policies are written on an annual and short-term basis throughout the year. Therefore, in any one underwriting year, there will be an earned and unearned portion of the policy period which will spill over into the following year. The unearned ultimate claims is calculated by multiplying the unearned premium by the prior loss ratios. The Earned IBNR is then calculated by subtracting the unearned ultimate claims and total claims incurred to date from the ultimate claims estimate.

D.2.1.2b Large Losses

Large losses usually exhibit a development pattern different to that of attritional claims. The threshold for large claims in the valuation of 31 December 2023 was €150k for the General Liability Solvency II line of business which was determined following a claims analysis as part of the review of reserves.

Projections for Medical Expenses were not split into attritional and large losses, given that there is only one claim to date which is above the €150k large loss threshold.
The Legal Expenses class has not seen any claims to date above the €150k large loss threshold and therefore the projection of ultimate claims for this class was not split by attritional and large losses.

D.2.1.3 Risk Margin

The Risk Margin is designed to ensure that the value of technical provisions is equivalent to the amount that insurance and reinsurance undertakings would be expected to require in order to take over and meet the Company's insurance obligations. The risk margin is calculated by determining the cost of providing an amount of eligible own funds equal to the SCR necessary to support the Company's reinsurance obligations over the lifetime thereof. This rate, called the Cost-of-Capital, is prescribed by EIOPA and currently stands at 6%.

Article 58 of the Commission Delegated Regulations allows insurance and reinsurance undertakings to use simplified methods when they calculate the risk margin. Guideline 61 of the the EIOPA guidelines on the valuation of technical provisions lists a hierarchy of methods for the

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calculation of the risk margin. IDA adopted method 1. This method approximates the individual risks or sub-risks within some or all modules and sub-modules to be used for the calculation of future Solvency Capital Requirement. The total risk margin is allocated to the three Solvency II lines of business on the basis of each line of business reference SCR in proportion to the total reference SCR. The reference SCR represents the SCR that would be borne by a third party should they accept IDA's insurance obligations. The reference SCR used to calculate the risk margin is comprised of:

1) Non-life risk capital requirement
2) Health underwriting risk capital requirement;
3) Counterparty default risk capital requirement in respect of reinsurer default risk.

The market risk and counterparty default risk in respect of non-reinsurance counterparties capital requirements have been excluded from the reference SCR, as these are risks that would not be borne by a third party, should IDA's insurance obligations be transferred to another insurer.

D.2.1.4 Gross-to-Net Adjustment

Reinsurance recoverable represents the amount of the company's losses from claims that can be recovered from reinsurance companies. They are calculated as the difference between Gross and Net provisions.

The Company had proportional reinsurance arrangements for the Medical Expense line of business until the 30th September 2020. The Net provisions for Medical Expenses was determined by apply the incurred net to gross ratio to the gross IBNR.

The General Liability line of business has non-proportional reinsurance arrangements. The Net IBNR for this class was calculated by carrying out an ACPC approach to the Net large loss claims data to calculate the large loss IBNR for the 2023 underwriting year. The attritional claims are not expected to have a reinsurance recovery as it does not breach the reinsurance limit. An additional IBNER loading was included for this class for a specific claim.

There is no reinsurance in place for the Legal Expenses line of business.

D.2.1.5 Discounting

The reserve payment pattern for each line of business has been derived using the historical payment pattern as derived by the paid claims triangles. The euro risk free curve (with no volatility adjustment) as at the valuation date, published by EIOPA, has been used for discounting. As expected, the impact of discounting was not material due to the relatively short-term nature of the business.

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D.2.2 Level of Uncertainty Associated with the Value of Technical Provisions

Management is required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are continually evaluated and reviewed and are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. As a result, for any given period the actual technical provisions may be different from the expected technical provisions.

The Solvency II technical provisions are calculated on a best estimate basis. The key assumption concerning the future, and other key sources of estimation uncertainty, at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of insurance liabilities within the next financial year, is discussed below:

The ultimate claims, when fully settled, may turn out to be different from the best estimates. This uncertainty results from a number of sources and is normal for any actuarial investigation. Some of the sources contributing to uncertainty include:

- The inherent uncertainty in the process of statistical estimation
- The extent to which emerging experience is different to that of past experience as for example, claims development patterns have been determined by reliance on historical data.
- Uncertainty in the level of future claims inflation
- Uncertainty with regard to claim propensity, severity and frequency
- Premium provision loss ratios higher than expected
- The impact of climate change on the diving industry such as global warming and the increased frequency of natural catastrophes
- The emerging trends from the COVID-19 pandemic
- Uncertainty around the variability of claims for the General Liability class since the changes in the compensation tables in Italy.

The uncertainty of reserve estimates for all three lines of business was estimated using a bootstrapping approach. This is a simulation technique to analyse the uncertainty of the results. It determines the variability between the expected results and those at different confidence levels. This approach calculates the uncertainty using the company's own data and is therefore specific to the company.

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D.2.3 Additional Disclosures

Solvency II requires insurers to consider all possible future cash-flows in their assessment of Best Estimate Liabilities. Some events may not appear either within the data of the insurer at all or at a frequency or severity that represents the underlying risks. These events are described as events not in data (ENIDs).

The Solvency II technical provisions should allow for all possible outcomes, not just those that have occurred historically. An allowance should therefore be made for events that have not historically occurred but could occur in the future. This allowance called Events Not in Data ("ENID"). An explicit ENID allowance has been included for the three lines of business as outline in the table below:

LoB	ENID
Medical Expenses	3%
General Liability	3%
Legal Expenses	3%

The Company does not use the matching adjustment, the volatility adjustment, extrapolation of the risk-free rate, the transitional risk-free interest rate-term structure or the transitional deduction in calculating its technical provisions. No economic scenario generators are used in the calculation of the technical provisions.

The euro risk free curve (with no volatility adjustment) as at the valuation date, published by EIOPA, has been used for discounting future cash flows to the valuation date.

D.2.4 Summary of Differences between Solvency II Valuation and IFRS Valuation

The main similarities and differences in valuation principles of IDA's Solvency II relative to reserves shown in the IFRS 17 financial statements are:

- Both require best estimate reserves as a starting point.
- Both allow for time value of money through the discounting of future cash flows, for which the EIOPA yield curves are used for both.
- Both methods take into consideration the unexpired periods of exposure. For unprofitable contracts, IFRS 17 takes into consideration directly attributable expenses (this may include some overhead expenses) and risk adjustment within the loss component. This allowance is taken upfront and unwound as the contract reaches expiry.
- The SII Premium Provision needs to include all policies that the insurer is obligated to, at the

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valuation date, including policies that have not yet incepted. IFRS 17 allows for these on the balance sheet but outside of LIC/LRC.

- There is a risk margin under Solvency II valuation which is intended to ensure that the value of the technical provisions is equivalent to the amount that insurance and reinsurance undertakings would be expected to require in order to take over and meet the insurance and reinsurance obligation. It is calculated by estimating the cost of capital equal to the SCR necessary to support the insurance and reinsurance obligations over their lifetime in respect of those risks that can not be hedged.

  There is a risk adjustment applied to LIC and to LRC (for loss making contracts) under IFRS 17. Value-at-risk method is used for IDA's risk adjustment calculation. This is based on their own view of their risk tolerance. This is to account for potential volatility in the timing and eventual settled amounts over the entire coverage period.
- There is an increase in overhead expense reserves under Solvency II to fully allow for the run-off of liabilities.
- SII has a specific ENIDs loading. IFRS 17 does not.
- SII has a RI default risk charge whilst IDA's IFRS 17 valuation does not account for it.

D.3 Valuation of Other Liabilities

The valuation of other liabilities of the Company other than technical provision for Solvency II and IFRS balance sheets are described as follows:

IDA Insurance Limited Other Liabilities (EUR)	Current Accounting Bases	SII Valuation Principles
Other Technical Provisions		
Contingent Liabilities		
Provisions Other Than Technical Provisions		
Pension Benefit Obligations		
Deposits from Reinsurers		
Deferred Tax Liabilities		
Derivatives		
Debts owed to credit institutions		
Financial liabilities other than debts owed to credit institutions		
Insurance & intermediaries payables	129,011	5,484
Reinsurance payables		
Payables (trade, not insurance)		279,967
Subordinated liabilities		
Subordinated liabilities not in BOF		
Subordinated liabilities in BOF		
Any other liabilities, not elsewhere shown		
Total liabilities	**129,011**	**285,451**

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D.3.1 Payables

IFRS

The Insurance and intermediaries payables recognised under the statutory accounts relate to premium received by the Company for which policies incept in 2024, as a result, these are considered to be fully deferred policies. Under Solvency II balance sheet, these have been accounted as part the premium provision under the technical provisions.

Solvency II

The amounts recognised under the Solvency II Balance Sheet relate primarily to accrued expenses and other payables together with insurance payables. Under IFRS 17, these amounts have been reclassified as part of the liability of incurred claims as part of the insurance contract liabilities.

D.4 Alternative Methods of Valuation

The Company does not make use of an internal model, or undertaking specific parameters to calculatethe SCR. No matching adjustment is applied to the relevant risk-free interest term structure.

D.5 Any Other Material Information

There is no other material information that has not already been disclosed in the sections above.

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Section E - Capital Management

E.1 Own Funds

IDA has three components of own funds, two of which are tier 1 basic own funds; ordinary share capital, capital contribution and retained earnings. One of which is tier 3 own funds; Deferred tax asset.

IDA's ordinary shares have full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

E.1.1 Analysis of Significant Changes of each Tier over the Reporting Period

Basic Own Funds movement

Own Funds	Share Capital (Tier 1)	Capital Contribution (Tier 1)	Surplus Fund/Rec F (Tier 1)	Other own fund items approved by Authority	Deferred Tax asset (Tier 3)	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Basic own funds as at 31 December 2022	5,850	550	- 1,705	- 545	436	4,586
Movement in Deferred Tax					393	393
Movement in Surplus funds			308			308
Movement in other fund				218		218
Basic own funds as at 31 December 2023	5,850	550	- 1,397	- 327	829	5,505

The movement of the reconciliation reserve during the year is as follows:

Reconciliation reseve		€'000
Balance as at 31 December 2022	-	1,705
Movement during the year		308
Balance as at 31 December 2023	-	1,397

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E.1.2 Material Differences between Equity as shown in the IFRS financial statements and the Excess of Assets over Liabilities under Solvency Purposes

The following table shows the comparisons and movement in IFRS and Solvency II valuation of assets, liabilities and own funds.

Reconciliation between IFRS and Solvency II Valuations	€'000
Excess assets over liabilities as per Solvency II	5,505
-Difference in the valuation of assets	814
- Difference in valuation of technical provisions and liabilities	38
Equity as per IFRS	**6,357**

The movement in the valuation of assets and liabilities, as explained in Section D, arises from the difference between the IFRS and Solvency II principles as explained below:

1. The difference in the assets is mostly arising from the full impairment of the investment in VING for Solvency II purposes, and the difference in the classification of the insurance and reinsurance receivable, whereby this has been netted off against the insurance contract liabilities in the financial statements under IFRS 17.
2. The difference in the technical provisions and liabilities is due to the adjustments passed under the IFRS balance sheet regarding the reclassification of the insurance receivable against the insurance contract liabilities together with the accounting recognition of the risk adjustment under IFRS as opposed to the recognition of the risk margin under Solvency II.
3. Deferred Tax asset is adjusted depending on differences between net assets under the financial statements balance sheet and Solvency II balance sheet.

E.1.3 Eligible Amount of Own Funds to Cover the SCR and MCR

The MCR and SCR were calculated using the standard formula, and the eligible own funds are shown in the table below:

Available and eligible own funds	Total available own funds to meet the SCR	R0500	[illegible]	4,676,569			[illegible]
	Total available own funds to meet the MCR	R0510	4,676,569	4,676,569			
	Total eligible own funds to meet the SCR	R0540	[illegible]	4,676,569			[illegible]
	Total eligible own funds to meet the MCR	R0550	[illegible]	4,676,569			
SCR		R0580	[illegible]				
MCR		R0600	4,000,000				
Ratio of Eligible own funds to SCR		R0620	[illegible]				
Ratio of Eligible own funds to MCR		R0640	116.91%				

The Company uses EIOPA's Solvency II Standard Formula. It does not use undertaking specific parameters. Simplified calculations are used in computing spread risk within the Market Risk Module in accordance with Article 104 of the regulations. Furthermore, the Company does not make use of any capital add-ons.

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The minimum SCR was calculated in accordance with the Commission Delegated Regulation. The calculation below shows the net best estimates and net written premiums for the year 2023 per line of business utilised in the calculation of the Linear minimum SCR.

E.2 Capital Objectives and Policies

The Company's objectives when managing capital are:

1. To comply with the obligations to maintain positive solvency position based on the regulatoryrequirements of the insurance market where the Company operates;

2. To safeguard the Company's ability to continue as a going concern so that it can continue toprovide returns for shareholders and benefits for other stakeholders; and

3. To provide an adequate return to shareholders by pricing insurance contracts commensuratelywith the level of risk.

The Company's Directors manage the Company's capital structure and make adjustments to it, in the light of changes in economic conditions. The capital requirement of the Company is maintained in accordance with regulatory solvency and capital requirements of the insurance market in which it operates.

The Company is financed by shareholders' total equity. The capital structure is reviewed on an ongoing basis. Based on recommendations of the Directors, the Company balances its overall capital structure through the payments of dividends, new share issues as well as the issue of new debt.

The Company is subject to the provisions of the Solvency II Directive (2009/138/EC) which imposes new risk-based, regulatory requirements that ascertain the level of the required regulatory capital to be held on the basis of the risks that the Company is or can be exposed to. Solvency II also sets out the approach to be undertaken in order to establish the amount of Solvency II own funds, namely by converting the Statement of Financial Position from an IFRS perspective to one where assets and liabilities are measured in line with their underlying economic value.

The Company's internal capital target is to hold the higher of 1.4 times the pillar 1 requirement or therequirement identified during the ORSA process plus a board approved buffer. On an annual basis, and having regard to the results of stress tests appliedto projections over the three year planning period, the Board will consider whether a dividend should be paid to remit any surplus capital above this target to the Foundation.

The Directors are actively involved in ensuring that the Solvency II regulations, are highly embedded in the Company's operations. Regular monitoring of the Solvency Capital Requirement ('SCR') and the Minimum Capital Requirement ('MCR') is considered crucial. To this effect, a Capital Management Policy, outlining the main drivers of the SCR, was put in place to address the procedures and controls in this regard. In the case of any identified breaches with the SCR and MCR, the Directors have put in place a capital plan aimed at ensuring that the Company will restore its level of own funds to one which covers both the SCR and MCR.

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E.3 SCR and MCR

E.3.1 Solvency Capital Requirements Split by Risk Modules

The table below sets out the risk modules making up the solvency capital requirement of the Company.

Linear MCR	R0300	775,393
SCR	R0310	2,349,435
MCR cap	R0320	1,057,246
MCR floor	R0330	587,359
Combined MCR	R0340	775,393
Absolute floor of the MCR	R0350	4,000,000
Minimum Capital Requirement	R0400	4,000,000

Adjustment due to RFF/MAP nSCR aggregation		R0120	
Operational risk		R0130	186,665
Loss-absorbing capacity of technical provisions		R0140	
Loss-absorbing capacity of deferred taxes		R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160	
Solvency Capital Requirement excluding capital add-on		R0200	2,349,435
Capital add-ons already set		R0210	
	of which, capital add-ons already set - Article 37 (1) Type a	R0211	
	of which, capital add-ons already set - Article 37 (1) Type b	R0212	
	of which, capital add-ons already set - Article 37 (1) Type c	R0213	
	of which, capital add-ons already set - Article 37 (1) Type d	R0214	
Solvency capital requirement		R0220	2,349,435

E.3.2 Input used for MCR calculation and material changes to MCR and SCR

The MCR was calculated based in the standard formula.

In addition to the above, the table below shows a comparison between SCR as at 31st December 2023 and 31st December 2022:

Solvency Capital Requirement	2023 €'000	2022 €'000
Market Risk	427	757
Counterparty Risk	1,101	801
Health Underwriting Risk	637	614
Non Life Underwriting Risk	950	1,066
Diversification effects	- 953	- 1,054
Basic SCR	2,162	2,184
Operational risk	187	173
SCR	**2,349**	**2,356**
MCR	**4,000**	**4,000**
Basic Own Funds (Assets-Liabilities)	**5,505**	**4,587**
Own Funds in excess of Solvency Capital Requiremen	3,156	2,231
Solvency Ratio	214%	191%

The most material movements are listed below:

1. The decrease in market risk (i.e from €757k in 2022 to €427k in 2023) is mainly as a result of the withdrawal of investments made during the year together with the adverse impact of fair value movement on investments and the decrease in NAV of the investment in subsidiary.

2. The increase in counterparty default risk is arising mostly due to the increase in bank balanced held as at 31 December 2023 when compared to 31 December 2022.

3. The increase in the Health underwriting risk in 2023 is mainly attributed to the increase in the respective premium, which in turn are due to higher premium and reserve volume measures for the majority of lines of business when compared to prior year.

E.4 Use of the duration-based equity risk sub-module in the calculation of the SCR

Duration-based equity risk sub-module is not used in the Company's SCR calculation.

E.5 Differences between the standard formula and any internal model used

As at 31st December 2023, the Company used solely the standard formula for its SCR calculation.

E.6 Non-Compliance with MCR and SCR during the period

The Company was compliant at all times with the MCR and SCR requirements during the reporting period.

E.7 Any Other Material Information

The Company currently makes no allowance for LACDT within the calculation of the SCR.

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IDA Insurance Limited

Solvency and Financial Condition Report

31 December

2023

(Monetary amounts in EUR thousands)

S.02.01.02.01 - Balance sheet

			Solvency II value
			C0010
Assets	Goodwill	R0010	
	Deferred acquisition costs	R0020	
	Intangible assets	R0030	
	Deferred tax assets	R0040	920,741
	Pension benefit surplus	R0050	
	Property, plant & equipment held for own use	R0060	
	Investments (other than assets held for index-linked and unit-linked contracts)	R0070	3,083,010
	Property (other than for own use)	R0080	
	Holdings in related undertakings, including participations	R0090	0
	Equities	R0100	196,014
	Equities - listed	R0110	196,014
	Equities - unlisted	R0120	
	Bonds	R0130	2,869,018
	Government Bonds	R0140	
	Corporate Bonds	R0150	2,869,018
	Structured notes	R0160	
	Collateralised securities	R0170	
	Collective Investments Undertakings	R0180	17,978
	Derivatives	R0190	
	Deposits other than cash equivalents	R0200	
	Other investments	R0210	
	Assets held for index-linked and unit-linked contracts	R0220	
	Loans and mortgages	R0230	
	Loans on policies	R0240	
	Loans and mortgages to individuals	R0250	
	Other loans and mortgages	R0260	
	Reinsurance recoverables from:	R0270	541,526
	Non-life and health similar to non-life	R0280	541,526
	Non-life excluding health	R0290	497,236
	Health similar to non-life	R0300	44,289
	Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
	Health similar to life	R0320	
	Life excluding health and index-linked and unit-linked	R0330	
	Life index-linked and unit-linked	R0340	
	Deposits to cedants	R0350	
	Insurance and intermediaries receivables	R0360	
	Reinsurance receivables	R0370	498,901
	Receivables (trade, not insurance)	R0380	3,296,849
	Own shares (held directly)	R0390	
	Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
	Cash and cash equivalents	R0410	3,932,106
	Any other assets, not elsewhere shown	R0420	
	Total assets	R0500	12,180,632
Liabilities	Technical provisions - non-life	R0510	6,389,874
	Technical provisions - non-life (excluding health)	R0520	
	Technical provisions calculated as a whole	R0530	3,465,706
	Best Estimate	R0540	3,374,563
	Risk margin	R0550	91,143
	Technical provisions - health (similar to non-life)	R0560	2,924,168
	Technical provisions calculated as a whole	R0570	2,924,168
	Best Estimate	R0580	2,841,010
	Risk margin	R0590	83,158
	Technical provisions - life (excluding index-linked and unit-linked)	R0600	
	Technical provisions - health (similar to life)	R0610	
	Technical provisions calculated as a whole	R0620	
	Best Estimate	R0630	
	Risk margin	R0640	
	Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	
	Technical provisions calculated as a whole	R0660	
	Best Estimate	R0670	
	Risk margin	R0680	
	Technical provisions - index-linked and unit-linked	R0690	
	Technical provisions calculated as a whole	R0700	
	Best Estimate	R0710	
	Risk margin	R0720	
	Other technical provisions	R0730	
	Contingent liabilities	R0740	
	Provisions other than technical provisions	R0750	
	Pension benefit obligations	R0760	
	Deposits from reinsurers	R0770	
	Deferred tax liabilities	R0780	
	Derivatives	R0790	
	Debts owed to credit institutions	R0800	
	Financial liabilities other than debts owed to credit institutions	R0810	
	Insurance & intermediaries payables	R0820	5,484
	Reinsurance payables	R0830	
	Payables (trade, not insurance)	R0840	279,967
	Subordinated liabilities	R0850	
	Subordinated liabilities not in Basic Own Funds	R0860	
	Subordinated liabilities in Basic Own Funds	R0870	
	Any other liabilities, not elsewhere shown	R0880	
	Total liabilities	R0900	6,675,325
Excess of assets over liabilities		R1000	5,505,307

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S.04.05.21.01 - Home country: Non-life insurance and reinsurance obligations
Z Axis: Z0001

			Home country
			C0010
Premiums written (gross)	Gross Written Premium (direct)	R0020	48,233
	Gross Written Premium (proportional reinsurance)	R0021	
	Gross Written Premium (non-proportional reinsurance)	R0022	
Premiums earned (gross)	Gross Earned Premium (direct)	R0030	48,233
	Gross Earned Premium (proportional reinsurance)	R0031	
	Gross Earned Premium (non-proportional reinsurance)	R0032	
Claims incurred (gross)	Claims incurred (direct)	R0040	266,870
	Claims incurred (proportional reinsurance)	R0041	
	Claims incurred (non-proportional reinsurance)	R0042	
Expenses incurred (gross)	Gross Expenses Incurred (direct)	R0050	2,564
	Gross Expenses Incurred (proportional reinsurance)	R0051	
	Gross Expenses Incurred (non-proportional reinsurance)	R0052	

S.04.05.21.02 - Top 5 countries (by amount of gross premiums written): Non-life insurance and reinsurance obligations
Z Axis: Z0001

			Top 5 countries: non-life				
			BELGIUM	FRANCE	ITALY	SPAIN	UNITED KINGDOM
			C0020 22	C0020 76	C0020 109	C0020 208	C0020 234
Premiums written (gross)	Gross Written Premium (direct)	R0020	296,266	595,830	1,236,265	480,371	594,272
	Gross Written Premium (proportional reinsurance)	R0021					
	Gross Written Premium (non-proportional reinsurance)	R0022					
Premiums earned (gross)	Gross Earned Premium (direct)	R0030	296,266	595,830	1,236,265	480,371	594,272
	Gross Earned Premium (proportional reinsurance)	R0031					
	Gross Earned Premium (non-proportional reinsurance)	R0032					
Claims incurred (gross)	Claims incurred (direct)	R0040	170,842	246,921	140,445	90,988	316,418
	Claims incurred (proportional reinsurance)	R0041					
	Claims incurred (non-proportional reinsurance)	R0042					
Expenses incurred (gross)	Gross Expenses Incurred (direct)	R0050	18,038	35,546	75,224	28,083	37,757
	Gross Expenses Incurred (proportional reinsurance)	R0051					
	Gross Expenses Incurred (non-proportional reinsurance)	R0052					

S.05.01.02.01 - Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)
Z Axis: Z0001

			Line of Business for: non-life insurance and reinsurance			Total
			Medical expense insurance	General liability insurance	Legal expenses insurance	
			C0010	C0080	C0100	C0200
Premiums written	Gross - Direct Business	R0110	4,643,708	1,342,723	280,608	6,267,039
	Gross - Proportional reinsurance accepted	R0120	262,557	141,408	11,898	415,863
	Gross - Non-proportional reinsurance accepted	R0130				0
	Reinsurers' share	R0140				0
	Net	R0200	4,906,265	742,376	292,505	5,941,146
Premiums earned	Gross - Direct Business	R0210	4,533,943	664,880	281,574	5,480,396
	Gross - Proportional reinsurance accepted	R0220				0
	Gross - Non-proportional reinsurance accepted	R0230				0
	Reinsurers' share	R0240				0
	Net	R0300	4,533,943	664,880	281,574	5,480,396
Claims incurred	Gross - Direct Business	R0310	2,032,709	608,059	(40,093)	2,600,675
	Gross - Proportional reinsurance accepted	R0320	60,323	(4,299)	0	56,024
	Gross - Non-proportional reinsurance accepted	R0330				0
	Reinsurers' share	R0340	(47,848)	257,946	0	210,098
	Net	R0400	2,140,880	345,814	(40,093)	2,446,601
Expenses incurred		R0550	294,463	72,374	21,960	388,796
Balance - other technical expenses/income		R1210				0
Total technical expenses		R1300				388,796

S.17.01.02.01 - Non-Life Technical Provisions

					Direct business and accepted proportional reinsurance			Total Non-Life obligation
					Medical expense insurance	General liability insurance	Legal expenses insurance	
					C0020	C0080	C0110	C0180
Technical provisions calculated as a whole				R0010	[illegible]	[illegible]	[illegible]	[illegible]
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole				R0050	[illegible]	[illegible]	0	[illegible]
Technical provisions calculated as a sum of BE and RM	Best estimate	Premium provisions	Gross	R0060	[illegible]	[illegible]	[illegible]	[illegible]
			Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140				
			Net Best Estimate of Premium Provisions	R0150	[illegible]	[illegible]	[illegible]	[illegible]
		Claims provisions	Gross	R0160	[illegible]	[illegible]	[illegible]	[illegible]
			Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	[illegible]	[illegible]	0	[illegible]
			Net Best Estimate of Claims Provisions	R0250	[illegible]	[illegible]	[illegible]	[illegible]
	Total Best estimate - gross			R0260	[illegible]	[illegible]	[illegible]	[illegible]
	Total Best estimate - net			R0270	[illegible]	[illegible]	[illegible]	[illegible]
	Risk margin			R0280	[illegible]	[illegible]	[illegible]	[illegible]
Technical provisions - total	Technical provisions - total			R0320	[illegible]	[illegible]	[illegible]	[illegible]
	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total			R0330	[illegible]	[illegible]	0	[illegible]
	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total			R0340	[illegible]	[illegible]	[illegible]	[illegible]

Mark Giorgio
Director
Deloitte Audit Limited
MG

S.19.01.21.01 - Gross Claims Paid (non-cumulative) - Development year (absolute amount). Total Non-Life Business

Z Axis: Z0001, Underwriting year [UWY]

		0 C0010	1 C0020	2 C0030	3 C0040	4 C0050	5 C0060	6 C0070	7 C0080	8 C0090	9 C0100	10 & + C0110
Prior	R0100											[illegible]
N-9	R0160	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
N-8	R0170	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
N-7	R0180	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			
N-6	R0190	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]				
N-5	R0200	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]					
N-4	R0210	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]						
N-3	R0220	[illegible]	[illegible]	[illegible]	[illegible]							
N-2	R0230	[illegible]	[illegible]	[illegible]								
N-1	R0240	[illegible]	[illegible]									
N	R0250	[illegible]										

Z Axis: Z0001, General liability insurance (direct business and accepted proportional reinsurance), Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		0 C0010	1 C0020	2 C0030	3 C0040	4 C0050	5 C0060	6 C0070	7 C0080	8 C0090	9 C0100	10 C0110	11 C0120	12 C0130
Prior	R0100													
N-14	R0110	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-13	R0120	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-12	R0130	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-11	R0140	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
N-10	R0150	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
N-9	R0160	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			
N-8	R0170	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]				
N-7	R0180	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]					
N-6	R0190	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]						
N-5	R0200	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]							
N-4	R0210	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]								
N-3	R0220	[illegible]	[illegible]	[illegible]	[illegible]									
N-2	R0230	[illegible]	[illegible]	[illegible]										
N-1	R0240	[illegible]	[illegible]											
N	R0250	[illegible]												

Z Axis: Z0001, Legal expenses insurance (direct business and accepted proportional reinsurance), Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		0 C0010	1 C0020	2 C0030	3 C0040	4 C0050	5 C0060	6 C0070	7 C0080	8 C0090	9 C0100	10 C0110	11 C0120	12 C0130
Prior	R0100													
N-14	R0110	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-13	R0120	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-12	R0130	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-11	R0140	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
N-10	R0150	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
N-9	R0160	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			
N-8	R0170	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]				
N-7	R0180	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]					
N-6	R0190	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]						
N-5	R0200	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]							
N-4	R0210	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]								
N-3	R0220	[illegible]	[illegible]	[illegible]	[illegible]									
N-2	R0230	[illegible]	[illegible]	[illegible]										
N-1	R0240	[illegible]	[illegible]											
N	R0250	[illegible]												

Z Axis: Z0001, Medical expense insurance (direct business and accepted proportional reinsurance), Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		0 C0010	1 C0020	2 C0030	3 C0040	4 C0050	5 C0060	6 C0070	7 C0080	8 C0090	9 C0100	10 C0110	11 C0120	12 C0130
Prior	R0100													
N-14	R0110	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-13	R0120	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-12	R0130	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
N-11	R0140	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
N-10	R0150	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]		
N-9	R0160	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]			
N-8	R0170	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]				
N-7	R0180	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]					
N-6	R0190	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]						
N-5	R0200	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]							
N-4	R0210	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]								
N-3	R0220	[illegible]	[illegible]	[illegible]	[illegible]									
N-2	R0230	[illegible]	[illegible]	[illegible]										
N-1	R0240	[illegible]	[illegible]											
N	R0250	[illegible]												

S.19.01.21.02 - Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative). Total Non-Life Business
Z Axis: Z0001, Underwriting year [UWY]

		In Current year	Sum of years (cumulative)
		C0170	C0180
Prior	R0100	322	6,003,480
N-9	R0160	22,049	179,334
N-8	R0170	5,132	494,128
N-7	R0180	1,881	2,027,340
N-6	R0190	18,782	2,347,724
N-5	R0200	117,058	2,496,908
N-4	R0210	55,129	2,286,808
N-3	R0220	10,386	1,448,986
N-2	R0230	189,781	1,845,885
N-1	R0240	1,260,755	2,003,813
N	R0250	889,829	889,829
Total	R0260	8,108,583	21,459,183

Z Axis: Z0001, General liability insurance (direct business and accepted proportional reinsurance), Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		In Current year	Sum of years (cumulative)
		C0170	C0180
Prior	R0100		
N-14	R0110		249,740
N-13	R0120		309,464
N-12	R0130	184	1,817,185
N-11	R0140	330	1,818,863
N-10	R0150	0	2,753,183
N-9	R0160	22,049	558,530
N-8	R0170	5,132	444,480
N-7	R0180	1,881	551,480
N-6	R0190	18,543	559,498
N-5	R0200	33,950	555,517
N-4	R0210	47,869	363,782
N-3	R0220	18,300	38,782
N-2	R0230	8,344	36,073
N-1	R0240	15,858	23,858
N	R0250	3,874	3,874
Total	R0260	2,733,894	31,823,661

Z Axis: Z0001, Legal expenses insurance (direct business and accepted proportional reinsurance), Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		In Current year	Sum of years (cumulative)
		C0170	C0180
Prior	R0100		
N-14	R0110		100,779
N-13	R0120		74,512
N-12	R0130		46,175
N-11	R0140		30,131
N-10	R0150		23,994
N-9	R0160		12,800
N-8	R0170		3,042
N-7	R0180		0
N-6	R0190		23,138
N-5	R0200		10,032
N-4	R0210	1,508	734
N-3	R0220		0
N-2	R0230		0
N-1	R0240		0
N	R0250		0
Total	R0260	2,733,894	31,823,661

Z Axis: Z0001, Medical expense insurance (direct business and accepted proportional reinsurance), Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		In Current year	Sum of years (cumulative)
		C0170	C0180
Prior	R0100		
N-14	R0110		0
N-13	R0120		0
N-12	R0130		0
N-11	R0140		0
N-10	R0150		0
N-9	R0160		0
N-8	R0170		0
N-7	R0180		2,475,456
N-6	R0190	5,208	2,214,778
N-5	R0200	83,968	2,386,336
N-4	R0210	4,077	2,002,212
N-3	R0220	0	1,415,878
N-2	R0230	160,417	1,519,807
N-1	R0240	1,245,666	1,977,836
N	R0250	886,134	886,134
Total	R0260	2,733,894	31,823,661

S.19.01.21.03 - Gross undiscounted Best Estimate Claims Provisions - Development year (absolute amount). Total Non-Life Business
Z Axis: Z0001, Underwriting year (UWY)

		0 C0200	1 C0210	2 C0220	3 C0230	4 C0240	5 C0250	6 C0260	7 C0270	8 C0280	9 C0290	10 & + C0300
Prior	R0100											
N-9	R0160	0	0	0	0	0	0	0	0	0	0	
N-8	R0170	0	0	0	0	0	0	0	0	0		
N-7	R0180	0	0	0	0	0	0	0	[illegible]			
N-6	R0190	0	0	0	0	0	0	[illegible]				
N-5	R0200	0	0	0	0	0	[illegible]					
N-4	R0210	0	0	0	0	[illegible]						
N-3	R0220	0	0	0	[illegible]							
N-2	R0230	0	0	[illegible]								
N-1	R0240	0	[illegible]									
N	R0250	[illegible]										

Z Axis: Z0001, General liability insurance (direct business and accepted proportional reinsurance), Accident year (AY), EUR, Not applicable / Expressed in (converted to) reporting currency

		0 C0200	1 C0210	2 C0220	3 C0230	4 C0240	5 C0250	6 C0260	7 C0270	8 C0280	9 C0290	10 C0300	11 C0310	12 C0320
Prior	R0100													
N-14	R0110													
N-13	R0120													
N-12	R0130													
N-11	R0140													
N-10	R0150													
N-9	R0160													
N-8	R0170													
N-7	R0180								[illegible]					
N-6	R0190							[illegible]						
N-5	R0200						[illegible]							
N-4	R0210					[illegible]								
N-3	R0220				[illegible]									
N-2	R0230			[illegible]										
N-1	R0240		[illegible]											
N	R0250	[illegible]												

Z Axis: Z0001, Legal expenses insurance (direct business and accepted proportional reinsurance), Accident year (AY), EUR, Not applicable / Expressed in (converted to) reporting currency

		0 C0200	1 C0210	2 C0220	3 C0230	4 C0240	5 C0250	6 C0260	7 C0270	8 C0280	9 C0290	10 C0300	11 C0310	12 C0320
Prior	R0100													
N-14	R0110													
N-13	R0120													
N-12	R0130													
N-11	R0140													
N-10	R0150													
N-9	R0160													
N-8	R0170													
N-7	R0180													
N-6	R0190													
N-5	R0200													
N-4	R0210													
N-3	R0220													
N-2	R0230			[illegible]										
N-1	R0240		[illegible]											
N	R0250	[illegible]												

Z Axis: Z0001, Medical expense insurance (direct business and accepted proportional reinsurance), Accident year (AY), EUR, Not applicable / Expressed in (converted to) reporting currency

		0 C0200	1 C0210	2 C0220	3 C0230	4 C0240	5 C0250	6 C0260	7 C0270	8 C0280	9 C0290	10 C0300	11 C0310	12 C0320
Prior	R0100													
N-14	R0110													
N-13	R0120													
N-12	R0130													
N-11	R0140													
N-10	R0150													
N-9	R0160													
N-8	R0170													
N-7	R0180													
N-6	R0190													
N-5	R0200													
N-4	R0210					[illegible]								
N-3	R0220				132									
N-2	R0230			[illegible]										
N-1	R0240		[illegible]											
N	R0250	[illegible]												

S.19.01.21.04 - Gross discounted Best Estimate Claims Provisions - Current year, sum of years (cumulative). Total Non-Life Business
Z Axis: Z0001, Underwriting year [UWY]

		Year end (discounted data)
		C0360
Prior	R0100	
N-9	R0160	0
N-8	R0170	0
N-7	R0180	266,833
N-6	R0190	13,381
N-5	R0200	38,854
N-4	R0210	33,126
N-3	R0220	73,827
N-2	R0230	125,872
N-1	R0240	489,535
N	R0250	84,336
Total	R0260	3,872,515

Z Axis: Z0001, General liability insurance [direct business and accepted proportional reinsurance], Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		Year end (discounted data)
		C0360
Prior	R0100	
N-14	R0110	
N-13	R0120	
N-12	R0130	
N-11	R0140	
N-10	R0150	
N-9	R0160	
N-8	R0170	
N-7	R0180	250,932
N-6	R0190	15,381
N-5	R0200	30,864
N-4	R0210	30,497
N-3	R0220	73,796
N-2	R0230	123,848
N-1	R0240	323,356
N	R0250	382,512
Total	R0260	1,124,171

Z Axis: Z0001, Legal expenses insurance [direct business and accepted proportional reinsurance], Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		Year end (discounted data)
		C0360
Prior	R0100	
N-14	R0110	
N-13	R0120	
N-12	R0130	
N-11	R0140	
N-10	R0150	
N-9	R0160	
N-8	R0170	
N-7	R0180	
N-6	R0190	
N-5	R0200	
N-4	R0210	
N-3	R0220	
N-2	R0230	9,202
N-1	R0240	10,032
N	R0250	5,278
Total	R0260	1,124,171

Z Axis: Z0001, Medical expense insurance [direct business and accepted proportional reinsurance], Accident year [AY], EUR, Not applicable / Expressed in (converted to) reporting currency

		Year end (discounted data)
		C0360
Prior	R0100	
N-14	R0110	
N-13	R0120	
N-12	R0130	
N-11	R0140	
N-10	R0150	
N-9	R0160	
N-8	R0170	
N-7	R0180	
N-6	R0190	
N-5	R0200	
N-4	R0210	7,069
N-3	R0220	137
N-2	R0230	4,961
N-1	R0240	(50,717)
N	R0250	(413,458)
Total	R0260	1,124,171

S.23.01.01.01 - Own funds
Z Axis: Z0001

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
			C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Ordinary share capital (gross of own shares)	R0010	5,850,000	5,850,000			
	Share premium account related to ordinary share capital	R0030					
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
	Subordinated mutual member accounts	R0050					
	Surplus funds	R0070					
	Preference shares	R0090					
	Share premium account related to preference shares	R0110					
	Reconciliation reserve	R0130	(1,396,746)	(1,396,746)			
	Subordinated liabilities	R0140					
	An amount equal to the value of net deferred tax assets	R0160	828,741				828,741
	Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	223,212	223,212			
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions	Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions		R0290	5,505,241	4,676,500			828,741
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300					
	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
	Unpaid and uncalled preference shares callable on demand	R0320					
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
	Other ancillary own funds	R0390					
Total ancillary own funds		R0400					
Available and eligible own funds	Total available own funds to meet the SCR	R0500	5,505,327	4,676,500			828,741
	Total available own funds to meet the MCR	R0510	4,676,500	4,676,500			
	Total eligible own funds to meet the SCR	R0540	5,028,894	4,676,500			352,415
	Total eligible own funds to meet the MCR	R0550	4,676,500	4,676,500			
SCR		R0580	2,349,430				
MCR		R0600	4,000,000				
Ratio of Eligible own funds to SCR		R0620	214%				
Ratio of Eligible own funds to MCR		R0640	117%				

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S.23.01.01.02 - Reconciliation reserve

Z Axis: Z0001

			Value
			C0060
Reconciliation reserve	Excess of assets over liabilities	R0700	5,505,307
	Own shares (held directly and indirectly)	R0710	
	Foreseeable dividends, distributions and charges	R0720	
	Other basic own fund items	R0730	6,902,053
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve		R0760	(1,396,746
Expected profits	Expected profits included in future premiums (EPIFP) - Life business	R0770	
	Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
Total Expected profits included in future premiums (EPIFP)		R0790	

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S.25.01.21.01 - Basic Solvency Capital Requirement

		Gross solvency capital requirement	Simplifications
		C0110	C0120
Market risk	R0010	427,951	
Counterparty default risk	R0020	1,101,403	
Life underwriting risk	R0030	0	
Health underwriting risk	R0040	637,140	
Non-life underwriting risk	R0050	950,128	
Diversification	R0060	(953,851)	
Intangible asset risk	R0070	0	
Basic Solvency Capital Requirement	R0100	2,162,771	

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S.25.01.21.02 - Calculation of Solvency Capital Requirement

			Value
			C0100
Operational risk		R0130	186,665
Loss-absorbing capacity of technical provisions		R0140	0
Loss-absorbing capacity of deferred taxes		R0150	0
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160	
Solvency Capital Requirement excluding capital add-on		R0200	2,349,435
Capital add-on already set		R0210	
	of which, capital add-ons already set - Article 37 (1) Type a	R0211	
	of which, capital add-ons already set - Article 37 (1) Type b	R0212	
	of which, capital add-ons already set - Article 37 (1) Type c	R0213	
	of which, capital add-ons already set - Article 37 (1) Type d	R0214	
Solvency capital requirement		R0220	
Other information on SCR	Capital requirement for duration-based equity risk sub-module	R0400	
	Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
	Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
	Diversification effects due to RFF nSCR aggregation for article 304	R0440	

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S.28.01.01.01 - Linear formula component for non-life insurance and reinsurance obligations

		MCR components
		C0010
MCRNL Result	R0010	775,393

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S.28.01.01.02 - Background information
Z Axis: Z0001

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	2,796,721	4,906,265
Income protection insurance and proportional reinsurance	R0030		
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070		
Fire and other damage to property insurance and proportional reinsurance	R0080		
General liability insurance and proportional reinsurance	R0090	2,834,229	742,376
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110	43,098	292,506
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130		
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

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S.28.01.01.05 - Overall MCR calculation
Z Axis: Z0001

		Value
		C0070
Linear MCR	R0300	775,393
SCR	R0310	2,349,435
MCR cap	R0320	1,057,246
MCR floor	R0330	587,359
Combined MCR	R0340	4,000,000
Absolute floor of the MCR	R0350	4,000,000
Minimum Capital Requirement	R0400	4,000,000

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